

REGISTRAR OF COMPANIES

COMPANY NUMBER 01072715
(ENGLAND & WALES)

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1995



ANDREW WIGGETT

Chartered Accountant and
Registered Auditor

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITED

DIRECTORS	R.H. Fowler - Chairman D. Fowler - Vice chairman C. Fowler Mrs. M.C. Bull R. Cameron Mrs. M. McKie M. Phillips
SECRETARY	C. Fowler
REGISTERED OFFICE	The Annexe, 212, Station Road, Harpenden, Herts., AL5 4EH.
COMPANY NUMBER	01072715 (England and Wales)
AUDITOR	Andrew Wiggett, Chartered Accountant and Registered Auditor, The Annexe, 212, Station Road, Harpenden, Herts., AL5 4EH.

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GROVE ROAD MANAGEMENT (HARPENDEN) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 1995

The directors present their report and the financial statements for the year ended 31st December 1995.

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 surplus or deficit 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 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.

PRINCIPAL ACTIVITY

The company's principal activity continues to be that of the management and administration of flats 110 to 140, Grove Road, Harpenden, Hertfordshire.

ALTERATION TO ARTICLES OF ASSOCIATION - VOTING RIGHTS

The directors, following the EGM held on 3rd November 1995, have taken legal advice and with the agreement of the holders of 'A' Ordinary Shares propose to put a resolution before the members at an EGM for the purpose of altering the Articles of Association with respect to voting rights.

As explained in note 5, the 'A' Ordinary Shares presently confer the right to sixteen votes in respect of each share held. It is proposed that this be amended to one vote in respect of each share held. On the basis that this resolution is passed there will be parity of voting rights until all of the 'B' Ordinary Shares have been allotted and thereafter the 'A' Ordinary Shares shall cease to confer voting rights except on resolutions for the alteration of capital or of the Memorandum of Association or Articles of Association or for the winding up of the company in which cases the right to one vote for the 'A' Ordinary Shares shall remain.

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITEDDIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 1995
(continued)

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were :

	<u>31st December 1995</u>	<u>1st January 1995</u> (or Date of Appointment)
'A' Ordinary shares		
R.H. Fowler	1*	1*
D. Fowler	1*	1*
C. Fowler	1	1
'B' Ordinary shares		
Mrs. M. Bull	1	1
C. Harvey (resigned 16th January 1996)	1	1
R. Cameron (appointed 3rd November 1995)	1	1
Mrs. M. McKie (appointed 3rd November 1995)	1	1
M. Phillips (appointed 3rd November 1995)	1	1

* Class 'A' ordinary share held jointly with another member of the company.

AUDITOR

The auditor, Andrew Wiggett, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the board on 19th April 1996 and signed on their behalf.

R. FOWLER



GROVE ROAD MANAGEMENT (HARPENDEN) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITED

We have audited the financial statements on pages 4 to 8 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 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 state of the company's affairs as at 31st December 1995 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



ANDREW WIGGETT

Chartered Accountant and
Registered Auditor,
The Annexe,
212, Station Road,
Harpenden,
Herts., AL5 1PB.

19th April 1996

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITEDINCOME AND EXPENDITURE ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
INCOME FROM MAINTENANCE		4,267	4,267
PROPERTY EXPENSES			
Insurance		1,554	1,482
Garden maintenance		495	540
Electricity		20	20
Repairs - electrical		87	90
Repairs - guttering		-	104
Repairs - drains		658	-
Repairs - general		215	169
Garage roof repairs		-	116
Maintenance - Namesign		165	-
Management fees		1,148	399
Loss on scrapped asset		21	-
		<u>4,363</u>	<u>2,920</u>
ADMINISTRATIVE EXPENSES			
Secretarial and professional fees		229	160
Auditors' remuneration		705	705
General expenses		48	32
		<u>982</u>	<u>897</u>
		5,345	3,817
OPERATING (DEFICIT) / SURPLUS	2	(1,078)	450
Interest receivable		103	32
(DEFICIT)/SURPLUS on ordinary activities before taxation		(975)	482
Taxation - charge	3	(26)	(8)
(DEFICIT)/SURPLUS on ordinary activities after taxation and for the year		(1,001)	474
GENERAL RESERVE brought forward		6,067	5,593
GENERAL RESERVE carried forward		<u>£ 5,066</u>	<u>£ 6,067</u>

There were no recognised gains and losses for 1995 or 1994 other than those included in the income and expenditure account.


The notes on pages 6 to 8 form part of these financial statements.

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITEDBALANCE SHEET AS AT 31ST DECEMBER 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible assets	4	-	1
CURRENT ASSETS			
Due from members		63	160
Prepayments		267	168
Cash with agents		731	2,045
Residents Bank account		5,000	-
Cash at Building Society		-	5,516
		<u>6,061</u>	<u>7,889</u>
CREDITORS : amounts falling due within one year			
Maintenance charges in advance		205	683
Accruals		774	1,124
		<u>979</u>	<u>1,807</u>
NET CURRENT ASSETS		<u>5,082</u>	<u>6,082</u>
TOTAL ASSETS LESS CURRENT LIABILITIES, AND NET ASSETS		<u>£ 5,082</u>	<u>£ 6,083</u>
CAPITAL AND RESERVES			
Called up share capital	5	16	16
General reserve		5,066	6,067
SHAREHOLDERS FUNDS	6	<u>£ 5,082</u>	<u>£ 6,083</u>

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985. The financial statements were approved by the Board on 19th April 1996 and signed on its behalf.

R.H.FOWLER
Director



The notes on pages 6 to 8 form part of these financial statements.

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

(a) 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 requirements of the Companies Act 1985 have been adapted where appropriate to the special nature of the company's business.

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

(b) Tangible fixed assets and depreciation.

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at the following annual rate in order to write off each asset over its expected useful life.

Machines and equipment - 15% on cost

(c) General reserves

General reserves are, in accordance with clause 20(a) of the Articles of Association, retained in order to meet future contingencies.

2. OPERATING (DEFICIT)/SURPLUS

No directors' remuneration or other emoluments were paid in the year (1994 - Nil).

3. TAXATION

The company is a mutual company for tax purposes and not generally liable to taxation on income derived from members which is applied for the management of and the provision of services to members' flats.

Corporation tax is chargeable at 25% (1994 - 25%) on interest received:

	<u>1995</u>	<u>1994</u>
Charge for year	£ 26	£ 8
	<u> </u>	<u> </u>

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1995
(continued)

4. TANGIBLE FIXED ASSETS

	<u>Machines and equipment</u>
	£
Cost	
At 1st January 1995	365
Disposal	(365)
	<hr/>
At 31st December 1995	-
	<hr/>
Depreciation	
1st January 1995	364
Eliminated on disposal	(364)
	<hr/>
At 31st December 1995	-
	<hr/>
Net book values	
At 31st December 1995	£ -
	<hr/>
At 31st December 1994	£ 1
	<hr/>

There were no capital commitments at 31st December 1995 (1994 - nil).

5. CALLED UP SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Authorised		
2 'A' Ordinary shares of £1 each	2	2
16 'B' Ordinary shares of £1 each	16	16
	<hr/>	<hr/>
	£ 18	£ 18
	<hr/>	<hr/>
Allotted, called-up and fully paid		
2 'A' Ordinary shares of £1 each	2	2
14 'B' Ordinary shares of £1 each (1993 - 13)	14	14
	<hr/>	<hr/>
	£ 16	£ 16
	<hr/>	<hr/>

The income and profits of the company may only be applied towards the objects of the company and no portion thereof is payable by way of dividend or other distribution to the holders of either class of shares in the company.

The 'A' shares confer on the holders thereof the right to 16 votes in respect of each share held provided that from the date when all 'B' shares shall have been issued the right to 16 votes shall cease and thereafter shall confer the right to one vote only, except on resolutions for the alteration of capital, alteration of objects and Articles and for the winding up of the company when the right to 16 votes shall remain.

The 'B' shares confer on the holders thereof the right to one vote in respect of each such share held.

GROVE ROAD MANAGEMENT (HARPENDEN) LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST DECEMBER 1995
(continued)

6. MOVEMENTS ON SHAREHOLDERS FUNDS

	<u>1995</u> £	<u>1994</u> £
(Deficit)/Surplus for year	(1,001)	474
'B' Ordinary share issued	-	1
Opening Shareholders funds	<u>6,083</u>	<u>5,608</u>
Closing Shareholders funds	<u>£ 5,082</u>	<u>£ 6,083</u>