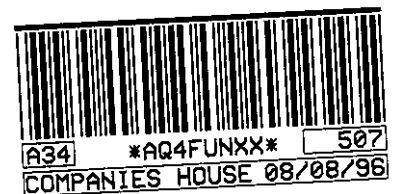


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HERONSBROOK FLAT MANAGEMENT LIMITED  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1995

Robert W. Belcher  
Chartered Accountant  
32 Courtfield Rise,  
West Wickham,  
Kent BR4 9BE.



# HERONSBROOK FLAT MANAGEMENT LIMITED

## REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 1995.

### PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the company is that of flat management, which activity is undertaken for the mutual benefit of its members.

The directors were satisfied with the state of affairs at the balance sheet date and anticipate a similar level of activity in the ensuing year.

### RESULT AND DIVIDEND

The result for the year is shown on page 3.

The directors do not recommend the payment of a dividend.

### DIRECTORS

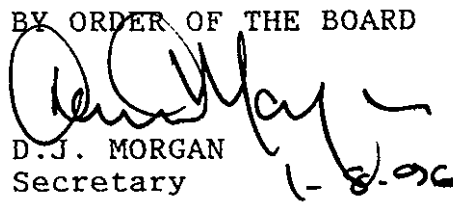
The director of the company throughout the year and to the date of this report together with their recorded interests in the share capital of the company were as follows:-

	<u>Ordinary shares</u>	
	<u>31.12.95</u>	<u>31.12.94</u>
D. Phillips	1	1
P. Robertson	1	1

### AUDITOR

Robert W. Belcher, Chartered Accountant and Registered Auditor, has expressed a willingness to continue in office and a resolution will be made at the forthcoming Annual General Meeting proposing this reappointment.

BY ORDER OF THE BOARD

  
D.J. MORGAN  
Secretary

County House,  
221/241 Beckenham Road,  
Beckenham,  
Kent BR3 4UF.

REPORT OF THE AUDITOR  
TO THE MEMBERS OF  
HERONSBROOK FLAT MANAGEMENT LIMITED

I have audited the financial statements set out on pages 3 to 5 which have been prepared under the historical cost convention.

Reporting responsibilities of directors and auditors

The company's directors are responsible for the preparation of the financial statements. It is my responsibility to form an independent opinion, based on my audit, on those financial statements and to report my opinion to you.


Basis of opinion

I conducted my 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 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view of the state of the company's affairs at 31 December 1995 and of its deficit for the year then ended and comply with the Companies Act 1985.

  
ROBERT W. BELCHER  
Chartered Accountant  
Registered Auditor

32 Courtfield Rise,  
West Wickham,  
Kent BR4 9BE.

1/8/96

HERSONBROOK FLAT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

for the period ended 31 December 1995

	<u>1995</u>	<u>1994</u>
Service charges receivable	7822	8163
<u>Administration expenses</u>		
Insurance	2203	2292
Cleaning and gardening	2808	1913
Lighting	928	472
Telephone (lift)	161	110
Refuse collection	65	-
Water rates	23	100
Management fee	1170	1170
Audit and accountancy	352	352
Sundry expenses	30	12
Repairs to lift	712	-
Repairs to electrics	695	-
Plumbing and guttering	212	-
Reimbursement of expenditure paid by Whelan Homes Limited (see Note 2)	-	<u>1397</u>
	<u>9359</u>	<u>7818</u>
Interest receivable	(1537) <u>216</u>	345 <u>129</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	(1321)	474
Corporation Tax	<u>54</u>	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	(1375)	474
Transferred from/to sinking fund	<u>1000</u>	<u>100</u>
RETAINED (LOSS)/PROFIT FOR THE YEAR	(375)	374
Brought forward	<u>254</u>	( <u>120</u> )
Carried forward	£(121) =====	£254 ===

HERONSBROOK FLAT MANAGEMENT LIMITED  
BALANCE SHEET AS AT 31 DECEMBER 1995

	<u>Note</u>	<u>1995</u>	<u>1994</u>
CURRENT ASSETS			
Prepayments		1535	1434
Other debtors		143	206
Cash at bank and in hand		<u>1781</u>	<u>3076</u>
		3459	4716
CREDITORS: due within one year			
Accruals		<u>566</u>	<u>448</u>
		£2893	£4268
		====	====
TOTAL NEW ASSETS			
Representing			
CAPITAL AND RESERVES			
Called-up share capital	4	14	14
Profit and loss account		(121)	254
Sinking fund	5	<u>3000</u>	<u>4000</u>
		£2893	£4268
		====	====

Approved by the Board on  
and signed on its behalf:

.....  .....  ..... Director

# HERONSBROOK FLAT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1995

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

#### b) Turnover

Turnover is based on service charges collectible for the year. Turnover and profit before taxation is attributable to the one principal activity of the company.

### 2. PROFIT ON ORDINARY ACTIVITIES

This is shown after charging audit fees of £300 (1994 - £300).

During the year ended 31 December 1994, expenses relating to the maintenance of the property were paid by Whelan Homes Limited, and reimbursement to them by the previous managing agents. No analysis of these expenses has been made available.

### 3. TAXATION

	<u>1995</u>	<u>1994</u>
U.K. Corporation Tax @ 25% on interest received	54 ==	- ==

### 4. SHARE CAPITAL

#### Authorised

100 Ordinary shares of £1 each	100 ===	100 ===
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#### Called-up and fully paid

14 Ordinary shares of £1 each	14 ==	14 ==
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### 5. SINKING FUND

The sinking fund is being set aside as a reserve over four years to provide for redecorations to external areas.

Balance at beginning of year	4000	3900
Transferred during the year	(1000)	100
Balance at end of year	£3000 ====	£4000 ====