

MALLING PLACE (LEWES)
RESIDENTS ASSOCIATION LIMITED
(Company limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST, 1997

Dixon & Company
39/40 High Street
LEWES
East Sussex



REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST AUGUST, 1997

The Management Committee have pleasure in presenting their report and financial statements for the year ended 31st August, 1997.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is that of maintenance of the freehold premises by the collection of subscriptions and ground rent from the tenants.

The company is non profit making and limited by guarantee.

RESULTS

The company made a surplus of £2,429 which was added to the accumulated surplus of the company.

FUTURE DEVELOPMENTS

No developments other than to maintain the objects of the company are envisaged. Repairs to the property have been contracted for (see note 6).

FIXED ASSETS

Movements in fixed assets are detailed in Note 3 to the accounts.

MANAGEMENT COMMITTEE

The present members of the Management Committee are:-

Mr T.W.Howells (Chairman)
Miss S.Staples (Secretary)
Mrs G.Hallett (Treasurer)

STATEMENT OF THE RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE

Company law requires the Management Committee to prepare financial statements for each financial year which gives 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 Management Committee are required to:

- select suitable accounting policies and 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 to operate.

The Management Committee 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.

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REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST AUGUST, 1997

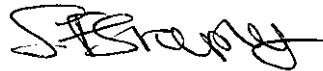
STATEMENT OF THE RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE (CONT'D)

They are also responsible for safe guarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Messrs. Dixon & Company, have indicated their willingness to continue in office and resolutions concerning their reappointment and remuneration will be laid before the Annual General Meeting.

By order of the Board



S. STAPLES
SECRETARY

39/40 High Street
Lewes
17th September, 1997

REPORT OF THE AUDITORS TO THE MEMBERS OF
MALLING PLACE (LEWES)
RESIDENTS ASSOCIATION LIMITED

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

Respective responsibilities of management committee and auditors

As described on page 1, the company's Management Committee 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.

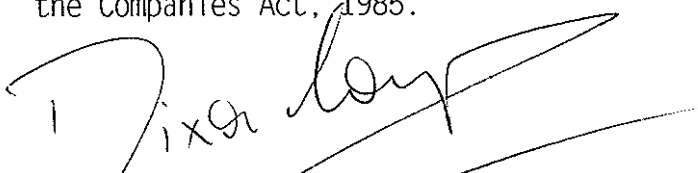
Basis of opinion

We have 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 judgments made by the Management Committee 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 company's affairs as at 31st August, 1997 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act, 1985.



Dixon and Company
Chartered Accountants
and Registered Auditors
39/40 High Street
LEWES
East Sussex



17th September, 1997

MALLING PLACE (LEWES)
RESIDENTS ASSOCIATION LIMITED

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST, 1997

| | | 1997 | 1996 |
|-------------------------------------|------|---------|---------|
| | Note | £ | £ |
| Turnover | | 4,074 | 2,877 |
| Administrative Expenses | 2 | 1,645 | 2,440 |
| | | ----- | ----- |
| Surplus on Ordinary Activities | | 2,429 | 437 |
| Accumulated surplus brought forward | | 4,841 | 4,404 |
| | | ----- | ----- |
| Accumulated surplus carried forward | | £ 7,270 | £ 4,841 |
| | | ===== | ===== |

The company made no recognised gains or losses in 1997 or 1996 other than the surplus for the year.

| | Note | 1997 | 1996 |
|---|------|---------|---------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 3 | 2,030 | 2,074 |
| CURRENT ASSETS | | | |
| Debtors | 4 | 2,372 | 89 |
| Cash at bank | | 3,162 | 2,972 |
| | | ----- | ----- |
| | | 5,534 | 3,061 |
| CREDITORS; amounts falling due within one year | | | |
| Accruals | | 294 | 294 |
| | | ----- | ----- |
| | | 5,240 | 2,767 |
| | | ----- | ----- |
| | | £ 7,270 | £ 4,841 |
| | | ===== | ===== |
| RESERVES | | | |
| Accumulated surplus | 5 | £ 7,270 | £ 4,841 |
| | | ===== | ===== |

Approved:

Approved: _____

Sally Sadly
Sally Sadly.

Date: 16th September, 1997

The notes on Pages 6 and 7 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST, 1997

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention. The following accounting policies have been applied:

Depreciation

Depreciation is provided to write off the cost of all fixed assets over their expected useful lives. It was calculated at the following rates:

| | |
|-------------------|---------------|
| Freehold property | 2% per annum |
| Equipment | 20% per annum |

Cash flow statement

The company has adopted FRS 1 and has relied on the exemption of a small company in not preparing a cash flow statement.

| 2.ADMINISTRATIVE EXPENSES | 1997 £ | 1996 £ |
|-----------------------------------|--------------|--------------|
| The charge is made up as follows: | | |
| Auditors remuneration | 294 | 294 |
| Depreciation | 44 | 45 |
| Other expenses | 1,307 | 2,101 |
| | <u>1,645</u> | <u>2,440</u> |
| | ===== | ===== |

3.TANGIBLE FIXED ASSETS

| | Total £ | Freehold Property £ | Equipment £ |
|-------------------------------------|--------------|---------------------------|----------------|
| At cost or valuation | | | |
| As at 1st September, 1996 | 2,518 | 2,438 | 80 |
| Depreciation | | | |
| As at 1st September, 1996 | 444 | 375 | 69 |
| Depreciation for the year | 44 | 41 | 3 |
| | <u>444</u> | <u>416</u> | <u>72</u> |
| Net Book Value 31st August, 1997 | <u>2,030</u> | <u>2,022</u> | <u>8</u> |
| Net Book Value 31st August, 1996 | <u>2,074</u> | <u>2,063</u> | <u>11</u> |

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)
FOR THE YEAR ENDED 31ST AUGUST, 1997

| 4.DEBTORS | 1997 £ | 1996 £ |
|-------------------------|--------------|-----------|
| Prepayments | 82 | 89 |
| Deposit for repair work | 2,290 | - |
| | <u>2,372</u> | <u>89</u> |
| | ===== | ===== |

| 5.ACCUMULATED SURPLUS | 1997 £ | 1996 £ |
|---------------------------|--------------|--------------|
| As at 1st September, 1996 | 4,841 | 4,404 |
| Surplus for the year | 2,429 | 437 |
| As at 31st August, 1997 | <u>7,270</u> | <u>4,841</u> |
| | ===== | ===== |

6.FUTURE COMMITMENTS

The company has contracted to have repairs carried out on the freehold property amounting to £9,161. At the year end, the Company had paid a deposit of 25% although no works had been undertaken at that time.

The members have agreed to pay an additional £2,400 in total towards the repairs on completion of the work.

MALLING PLACE (LEWES)
RESIDENTS ASSOCIATION LIMITED

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DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST, 1997

| | 1997 | | 1996 | |
|----------------------------|-------|-------|-------|-------|
| | £ | £ | £ | £ |
| INCOME | | | | |
| Members subscriptions | | 3,744 | | 2,544 |
| Ground rent | | 330 | | 330 |
| Other income | | - | | 3 |
| | | ----- | | ----- |
| | | 4,074 | | 2,877 |
| EXPENDITURE | | | | |
| Lighting of public ways | 6 | | 2 | |
| Garden expenses | 150 | | 210 | |
| Repairs to premises | - | | 524 | |
| Window cleaning | 330 | | 340 | |
| Insurance | 719 | | 897 | |
| Stationery and postage | 5 | | 18 | |
| Audit fee | 294 | | 294 | |
| Sundry expenses | 15 | | 18 | |
| Bank charges | 82 | | 92 | |
| Depreciation | 44 | | 45 | |
| | ----- | 1,645 | ----- | 2,440 |
| | | ----- | | ----- |
| EXCESS INCOME FOR THE YEAR | £ | 2,429 | £ | 437 |
| | | ===== | | ===== |