

PATHOAK PROPERTY MANAGEMENT LIMITED
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30TH JUNE 2002



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COMPANIES HOUSE 01/02/03

Company No 01815956

PATHOAK PROPERTY MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE 2002

The Directors present their Report together with the audited Financial Statements of the company for the year ended 30th June 2002 which show the state of the company's affairs.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review continued to be the ownership and management of the freehold block of flats known as 83-101 Barkston Gardens, London, S W 5

DIRECTORS AND DIRECTORS' INTERESTS

The directors in office in the year and the beneficial interests in the issued share capital of the company of the directors holding office on 30th June 2002, were as follows:

	<u>Ordinary Shares of £1 Each</u>	
	1st July 2001 or Date of Appointment	30 th June 2002
Miss J L A Cooper (apptd 29 Jan 2002)	1	1
Mrs F Bensen	1	1
Dr E M Passes	1	1
Mrs M M Ward (apptd 29 Jan 2002)	1	1
Mr W Wyatt (resigned 31 July 2001)		

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 profit or loss 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.

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PATHOAK PROPERTY MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE 2002 (Continued)

AUDITORS

A Resolution will be put to the Annual General Meeting to re-appoint Ellis Atkins, Chartered Accountants, as Auditors.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



Colin F Spires
Secretary

18 Pall Mall
London
SW1Y 5LU

Dated: 26th September 2002

Ellis Atkins
Chartered Accountants

Michael K Atkins FCA Rick Parish ACA Philip Longstaff FCA

1 Paper Mews 330 High Street Dorking Surrey RH4 2TU
Telephone 01306 886681 Fax 01306 889897

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
PATHOAK PROPERTY MANAGEMENT LIMITED**

We have audited the financial statements of Pathoak Property Management Limited for the year ended 30th June 2002 on pages four to eight. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page one the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

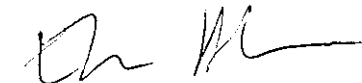
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 30th June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditor

Dated: 25th October 2002

Registered to carry on Audit Work and regulated for a range of Investment Activities
by the Institute of Chartered Accountants in England and Wales

PATHOAK PROPERTY MANAGEMENT LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2002

	Notes	<u>2002</u>	<u>2001</u>
		£	£
TURNOVER	2	33,683	33,693
Property operating costs	(30,116)	(27,684)
Service charge balance transfer	3 (2,361)	(4,901)
Administrative expenses	(1,319)	(1,234)
Interest receivable		654	665
		<hr/>	<hr/>
OPERATING PROFIT	4	541	539
Interest payable and similar charges		-	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		541	539
TAX ON PROFIT ON ORDINARY ACTIVITIES	5 (120)	(110)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		421	429
DIVIDENDS PAID		-	-
		<hr/>	<hr/>
		421	429
RETAINED PROFIT BROUGHT FORWARD		7,087	6,658
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		£7,508	£7,087
		<hr/> <hr/>	<hr/> <hr/>

PATHOAK PROPERTY MANAGEMENT LIMITED

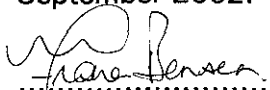
BALANCE SHEET AS AT 30TH JUNE 2002

	Notes	<u>2002</u>	<u>2001</u>
		£	£
FIXED ASSETS			
Tangible Assets	6	10,378	10,378
CURRENT ASSETS			
Debtors	7	-	1,260
Cash at bank		46,388	32,790
		46,388	32,050
CREDITORS			
Amounts falling due within 1 year -	8	(28,953)	(37,036)
NET CURRENT ASSETS (LIABILITIES)		17,435	(2,986)
NET ASSETS		<u>£27,813</u>	<u>£ 7,392</u>
CAPITAL AND RESERVES			
Called-up Share Capital	9	6	6
Share Premium Account		299	299
Profit & Loss Account		7,508	7,087
Sinking Fund Reserve	10	20,000	-
SHAREHOLDERS' FUNDS		<u>£27,813</u>	<u>£ 7,392</u>

The accompanying Notes form part of these Financial Statements.

These Financial Statements have been prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The Financial Statements were approved at a meeting of the directors held on 26th September 2002.



 Mrs F Bensen (Director)

PATHOAK PROPERTY MANAGEMENT LIMITED

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2002

1 ACCOUNTING POLICIES

a Accounting convention

The Financial Statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

b Turnover

Turnover represents ground rents and service charges receivable.

c Freehold reversion

No depreciation is provided thereon since, in the opinion of the directors, the residual value is in excess of cost. The property is maintained to a high state of repair and therefore residual value is not considered to reduce.

d Value Added Tax

Expenditure includes Value Added Tax where applicable.

e Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2	TURNOVER	<u>2002</u>	<u>2001</u>
	Ground rents	475	475
	Ordinary service charges	33,208	33,218
		<hr/>	<hr/>
		£33,683	£33,693
		<hr/>	<hr/>

Turnover and profits are all derived from within the United Kingdom.

PATHOAK PROPERTY MANAGEMENT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2002 (Continued)

3 SERVICE CHARGE BALANCE

The company provides services to 83-101 Barkston Gardens, London, S W 5. As there is no profit or loss on the service charge, the balance between service charges receivable from leaseholders and paid during the year is transferred to the provision for future work.

	<u>2002</u>	<u>2001</u>
	£	£

4 OPERATING PROFIT

This is stated after charging -

Auditors' remuneration -	<u>1,319</u>	<u>1,234</u>
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No director received any emoluments during the year, or the previous year.

5 TAXATION

Taxation is charged on rents and interest receivable. The rate is 7 ½ % (2001 - 10%).

6 TANGIBLE FIXED ASSETS

Land and buildings - Freehold reversion

Cost at 1st July 2001 and 30th June 2002	£ 10,378
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7 DEBTORS:

Amounts falling due within one year -	<u>2002</u>	<u>2001</u>
Rent & Service charges receivable	£ -	£ 1,260

PATHOAK PROPERTY MANAGEMENT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2002 (Continued)

	<u>2002</u>	<u>2001</u>
8 CREDITORS		
Amounts falling due within one year -	£	£
Service charges received in advance	-	10,796
Accruals	5,802	5,450
Corporation Tax	120	120
Provision for future work	23,031	20,670
	<u>£28,953</u>	<u>£37,036</u>
	£	£

9 CALLED-UP SHARE CAPITAL

Ordinary Shares of £1 each -

100 Authorised	£100	£100
	<u>£6</u>	<u>£6</u>
6 Allotted, called-up and fully paid		

10 SINKING FUND RESERVE

In order to finance future major works on the buildings such as external decorations and major lift repairs, a sinking fund has been established.
The cash is kept in a separate identifiable bank account.

11 COMMITMENTS AND POST BALANCE SHEET EVENTS

The company had no commitments, contingent liabilities or material post balance sheet events.

PATHOAK PROPERTY MANAGEMENT LIMITED

SERVICE CHARGE ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2002

	<u>2002</u>	<u>2001</u>
	£	£
Porterage	7,510.00	7,480.00
Repairs	867.30	1,569.97
Lift	899.31	980.35
Electricity	731.91	736.29
Telephone & door entry	656.55	258.12
Insurances	7,880.02	6,408.32
Management fee	8,100.00	8,000.00
TV Aerial	689.71	682.85
Sundry	1,904.33	1,568.39
Audit	1,319.00	1,233.75
Legal and Professional	-	-
Pest control	877.03	-
	<hr/>	<hr/>
Total Costs For The Year	31,435.16	28,918.04
Net Interest received	(588.75)	(600.80)
	<hr/>	<hr/>
	30,846.41	28,317.24
SERVICE CHARGES RECEIVABLE	33,207.54	33,217.74
	<hr/>	<hr/>
SURPLUS FOR THE YEAR	2,361.13	4,900.50
BALANCE BROUGHT FORWARD	-	-
Transfer to Sinking Fund	(2,361.13)	(4,900.50)
	<hr/>	<hr/>
BALANCE CARRIED FORWARD	-	-
	<hr/>	<hr/>
SINKING FUND		
Balance brought forward	20,669.96	15,769.46
Received in year	20,000.00	-
Paid in year	-	-
Transfer from service charges	2,361.13	4,900.50
	<hr/>	<hr/>
Balance carried forward	<u>£43,031.09</u>	<u>£20,669.96</u>