

*Registered in England
Number 2063507*

*Directors' Report and Accounts
for the year to
30 June, 2001*



REPORT OF THE DIRECTORS

The Directors submit their Report and the Accounts of the Company for the year to 30 June 2001.

ACTIVITIES OF THE COMPANY

The Company was formed to acquire the freehold title to land forming part of the Deansbrook development in Burnt Oak, Edgware, in the London Borough of Barnet, to grant leases of the 54 flats thereon and to manage, administer and maintain the land, buildings and property, which is the Company's main activity. The Company now owns the freehold of this land and the leases of the said 54 flats. There has been no change in its activities during the year.

RESULTS

Income from service charges amounted to £36696.00. Other income amounted to £1649.48. Expenditure incurred and provided for amounted to £28247.05, giving rise to a surplus of £10098.43, which has been added to the Reserves.

DIRECTORS AND THEIR INTERESTS

The following were Directors of the Company during the year.

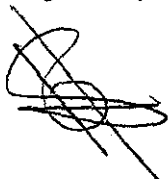
R. FORAGE	9 Lords Court
M. WILLIAMS	3 Deepfield Court
M. SHARPE	4 Deepfield Court

Throughout the year each Director or her/his family interests held beneficially a single share in the Company.

AUDITOR

A resolution to appoint Thwaites Blackwell Bailey & Co., Chartered Accountants and Registered Auditors, as Auditors of the Company and to authorize the Directors to set their remuneration will be proposed at the annual general meeting.

By order of the Board



H O'SHEA
Secretary

Date

10th October 2001

Registered Office:
19 Egerton Gardens
LONDON
NW4 4BB

**Independent Auditors' Report
to the Shareholders of
Deansbrook (Burnt Oak) No 1 Residents Co Ltd**

We have audited the accounts of Deansbrook (Burnt Oak) No 1 for the year ended June 30, 2001 which comprise pages 4 to 6. These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Director's Responsibilities the company's directors are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the accounts 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 Director's Report is not consistent with the accounts, 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

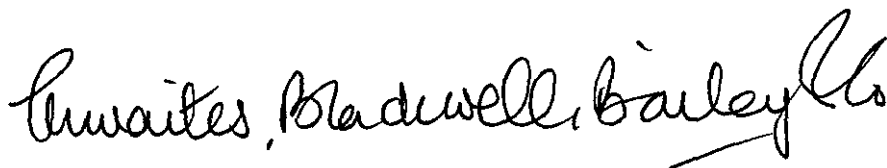
Basis of Audit Opinion

We conducted our audit in accordance with UK 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 made 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 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 accounts.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2001 and of the surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



THWAITES BLACKWELL BAILEY & CO
Chartered Accountants
Registered Auditors

Delaport Coach House
Lamer Lane
WHEATHAMPSTEAD
HERTFORDSHIRE
AL4 8RQ

Date 10 October 2001

*Income and Expenditure Account
for the year to
30 June, 2001*

	2001 £	2000 £
INCOME		
<i>Service charges</i>	36,696.00	36,696.00
<i>Finance charges</i>	228.00	476.21
<i>Registration fees</i>	650.00	500.00
<i>Interest net of Taxation</i>	771.48	553.88
	<u>38,345.48</u>	<u>38,226.09</u>
 EXPENDITURE		
<i>Land maintenance</i>	566.50	1,363.01
<i>Building maintenance</i>	1,690.23	2,930.03
<i>Door Entry System maintenance</i>	0.00	2,120.92
<i>Cleaning internal areas</i>	6,480.26	7,012.75
<i>Cleaning bin stores</i>	951.06	743.77
<i>Reorder bin store</i>	0.00	7,948.17
<i>Cleaning windows (outside)</i>	1,904.38	1,343.45
<i>Garden maintenance</i>	4,750.16	4,412.60
<i>Electricity</i>	982.52	1,043.04
<i>Lighting maintenance</i>	360.87	377.86
<i>TV satellite rent</i>	0.00	0.00
<i>Insurance</i>	3,331.89	2,467.42
<i>Administration</i>	248.01	300.36
<i>Secretary/Manager</i>	6,000.00	6,000.00
<i>Audit</i>	587.50	587.50
<i>Professional & Legal</i>	199.25	598.13
<i>Bank charges</i>	194.42	218.67
	<u>28,247.05</u>	<u>39,467.68</u>
 SURPLUS (DEFICIT)	<u>10098.43</u>	<u>-1,241.59</u>

BALANCE SHEET
as at
30 June 2001

	2001 £	2000 £
ASSETS		
Current Assets		
Service charges due	3,774.59	4,371.97
Cash at Bank	30,900.77	20,047.59
	<u>34,675.36</u>	<u>24,419.56</u>
Current Liabilities		
Creditors due within 1 year (note 3)	3,839.39	3,682.02
Net Current Assets	<u>30,835.97</u>	<u>20,737.54</u>
CAPITAL		
Share Capital (note 4)	270.00	270.00
Share Premium Account	1,350.00	1,350.00
Reserves (note 5)	29,215.97	19,117.54
	<u>30,835.97</u>	<u>20,737.54</u>

The directors have taken advantage, in the preparation of these financial statements, of the exemptions available under Part 1 of Schedule 8 to the Companies Act 1985, 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 of Directors on 10th OCT 2001 and are signed on its behalf.

M. WILLIAMS
Director

M. Williams

NOTES TO THE FINANCIAL STATEMENTS**1 ACCOUNTING POLICIES**

The Accounts have been prepared under the historical cost convention.

2 TAXATION

The company is taxed on interest received. No other liability to taxation arises in respect of the results for the period.

	2001	2000
	£	£
3 CREDITORS DUE WITHIN ONE YEAR		
Accrued expenditure	3,755.54	3,544.03
Taxation	83.85	137.99
Service charges overpayments	0.00	0.00
	<u>3,839.39</u>	<u>3,682.02</u>
 4 SHARE CAPITAL		
Authorised:		
65 ordinary shares of £5 each	<u>325.00</u>	<u>325.00</u>
Issued and fully paid:		
54 ordinary share of £5 each	<u>270.00</u>	<u>270.00</u>
 5 RESERVES		
Surplus/Deficit	10,098.13	-1,241.59
Reserves brought forward	19,117.54	20,359.13
Reserves carried forward	<u>29,215.67</u>	<u>19,117.54</u>

6 DIRECTORS RESPONSIBILITIES FOR THE PREPARATION OF ACCOUNTS

The Directors are required by the Companies Act 1985 to prepare financial statements which give a true and fair view of the state of affairs of the Company at the end of each financial year and of its surplus or deficit for the year. In preparing the financial statements, the Directors ensure that applicable accounting standards have been followed and that appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used.

The Directors are also responsible for maintaining adequate accounting records and for ensuring that an appropriate system of internal control is in operation to provide them with reasonable assurance that the assets of the Company are properly safeguarded and that fraud and other irregularities will be prevented or detected.