

ALBURY PLACE RESIDENTS ASSOCIATION LTD

Company No 3099455

DIRECTORS' REPORT & FINANCIAL STATEMENTS

for the year ended

30th SEPTEMBER 2007



ALBURY PLACE RESIDENTS ASSOCIATION LTD

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED
30th SEPTEMBER 2007**

TO BE PRESENTED AT THE ANNUAL GENERAL MEETING TO BE HELD IN 2008

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ALBURY PLACE RESIDENTS ASSOCIATION LTD

**COMPANY INFORMATION AS AT
30th SEPTEMBER 2007**

<i>Company Number:-</i>	3099455
<i>Registered Office:-</i>	Albury Place Albury Road Merstham Redhill, Surrey RH1 3LP
<i>Directors:-</i>	Nathaniel McDonnell Laura Jane Green
<i>Secretary:-</i>	Nathaniel McDonnell
<i>Accountants:-</i>	N W Potter & Co International Accountants Market House 12a Cross Road Tadworth Surrey KT20 5SR
<i>Bankers:-</i>	Bank of Scotland 600 Gorgie Road Edinburgh EH11 3XP

There have been no changes to the above information in the period from 1st October 2007 to the date of signing of these Reports

ALBURY PLACE RESIDENTS ASSOCIATION LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30th SEPTEMBER 2007

The Directors present their Report & Financial Statements for the year ended 30th September 2007

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of a company and of the financial results for that period
In preparing these 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 a continuing basis unless it is inappropriate to presume that the company will continue to be active,

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 principal activity of the Company is as Landlord and Managing Agents for land and premises at Albury Place, Albury Road, Merstham, Redhill, Surrey, RH1 3HP

DIRECTORS

The Directors who have served during the year and their interests in the company was as follows-

	registered member at -	
	30.09.07	01 10 06
NATHANIEL MCDONNELL	YES	YES
LAURA JANE GREEN	YES	YES

COMPANY LIMITED BY GUARANTEE

The Company is limited by a guarantee of £1 00 per member Only leasehold owners of Flats Nos 1 to 10 Albury Place are eligible to be members of the Company

SMALL COMPANY RULES

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

This Report was approved by the board and signed on its behalf on the date indicated below

Director 

Nathaniel McDonnell

Director 

Laura Jane Green

Date 14/3/2008

ALBURY PLACE RESIDENTS ASSOCIATION LTD
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED
30th SEPTEMBER 2007

	2007 £	2007 £	2006 £	2006 £
INCOME				
Transfer from Accumulated Fund		5201		3274
Interest received		108		27
Sundry Income (Registration Fees)		-		18
		-----		-----
		5309		3319
EXPENDITURE				
Landlord Insurance	2523		2443	
Gardens & External Communal Areas Maintenance	1929		159	
Buildings & Internal Communal Areas Maintenance	183		28	
Communal Electricity	160		186	
Accountancy & Disbursements	447		435	
Miscellaneous Expenses	30		33	
Depreciation - Storage Shed	22		30	
Taxation (note 4)	15		5	
	-----	5309	-----	3319
EXCESS OF INCOME OVER EXPENDITURE		-----		-----
		-		-
		=====		=====

The notes on pages 6 & 7 form part of these financial statements

ALBURY PLACE RESIDENTS ASSOCIATION LTD

BALANCE SHEET AT 30th SEPTEMBER 2007

	2007 £	2007 £	2007 £	2006 £	2006 £	2006 £
FIXED ASSETS						
Freehold Property and Assets - - Albury Place (note 2)			1			1
Storage Shed (note 5)			68			90
			<u>69</u>			<u>91</u>
CURRENT ASSETS						
Maintenance Payments Outstanding (note 3)	13			275		
Sundry Debtors & Prepayments	76			67		
Cash at Bank	11694			11264		
	<u>11783</u>			<u>11606</u>		
CREDITORS (payments due within 1 year)						
Sundry Creditors	460			435		
Accruals	468			424		
Taxation (note 4)	25			18		
	<u>953</u>			<u>877</u>		
NET CURRENT ASSETS		<u>10830</u>			<u>10729</u>	
TOTAL ASSETS		<u>10899</u>			<u>10820</u>	
		<u>=====</u>			<u>=====</u>	
Represented by -						
ACCUMULATED FUND						
Balance brought forward		10820				8814
Maintenance Monies due this period		5280				5280
		<u>16100</u>				<u>14094</u>
Less - Transfer to Income & Expenditure Account		5201				3274
ACCUMULATED FUND carried forward		<u>10899</u>				<u>10820</u>
		<u>=====</u>				<u>=====</u>

ALBURY PLACE RESIDENTS ASSOCIATION LTD

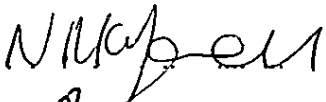
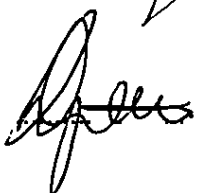
BALANCE SHEET AT 30th SEPTEMBER 2007
(continued)

The Directors consider that under the provisions of Section 249A(1) of the Companies Act 1995, the Company is exempt from the requirement of an audit of financial statements

The Directors confirm -

- 1) that the Company is entitled to those exemptions
- 2) that no notice has been deposited at the registered office of the Company pursuant to section 249B(2) requesting that an audit be conducted for the year ended 30th September 2007
- 3) that the Directors acknowledge their responsibilities for -
 - a) ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - b) preparing accounts which give a true and fair view of the state of the affairs of the Company as at the end of the financial year (or relevant accounting period) and of its Income & Expenditure for the period then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of the Act relating to the Financial Reports so far as applicable to the Company

The Financial Statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and were approved by the board and signed on its behalf on the date indicated below

Director		Nathaniel McDonnell
Director		Laura Jane Green
Date	14/3/2008	

The notes on pages 6 & 7 form part of these financial statements

ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30th SEPTEMBER 2007

1. ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Financial Statements have been prepared under the Historical Cost Convention and in accordance with the Financial Reporting Standard for Smaller Entities

b) TANGIBLE FIXED ASSETS DEPRECIATION AND RE-VALUATION

Tangible fixed assets are depreciated at the rate of 25% per annum on the reducing balance

The Freehold Interest is neither depreciated nor re-valued as this would not be appropriate to the purposes of these Financial Statements

2. FREEHOLD PROPERTY & ASSETS

The Company owns the Titles to two pieces of land altogether now known as Albury Place. Prior to the overall Titles being passed to the Company, there were various transfers of land from those Titles to the owners of five bungalows whose property now also forms part of the Albury Place 'Estate'. The current and subsequent owners of the bungalows are still bound to the main land Titles by various reciprocal covenants and conditions.

Situated on the main Title Land is a block of ten flats and each flat was granted a one hundred and twenty five year lease before the main Land Title was passed to the Company. The Company, now being the Landlord, has acquired those ten leases and is bound by the terms of those leases. The Company therefore owns the block of flats, all communal fixtures and fittings and all land as defined by the Land Title Register together with all plants, shrubs and other external tangible assets on that Land.

All the above assets were transferred to the company on 6th September 1996 from the previous landlords for the sum of £1 00.

3. MAINTENANCE CONTRIBUTIONS

During the year ended 30th September 2007, the Company charged owners of flats 1 to 8 the total sum of £540 00 each, (payable monthly), and flat owners 9 & 10 the total sum of £480 00 each, (payable monthly) as a contribution to general property maintenance costs and other expenditure necessarily incurred by the Company in order to fulfil its statutory & other obligations in accordance with leases, covenants and other duties the Company is legally required to discharge.

Whilst the Directors try to ensure that all maintenance monies are properly collected, debts sometimes arise which are uneconomical to collect, but during the year to 30th September 2007, nothing has been written-off on this basis. Despite the occasional decision to write-off unpaid maintenance charges, however, Company policy is still to treat outstanding maintenance monies as legal debts.

As at the 30th September 2007, there were total maintenance payments of £90 00 outstanding from three separate flat owners and two advance payments totalling £77 25 from two flat owners.

4. TAXATION

As the Company does not 'trade,' there is no Corporation Tax liability on trading income but Tax is still due on investment income and capital gains where applicable.

Due to changes in Inland Revenue policy, monies generally held by Flat Management Companies in respect of future maintenance costs are deemed to be held in trust by the Company and any income arising from those monies is to be taxed under Income Tax rules instead of Corporation Tax rules. This means that the small amount of interest earned on the Company Current Bank Account produces an accumulated Income Tax liability of £25 08 as at the 30th September 2007.

Income Tax is declared on Tax Returns which are submitted in respect of each Tax Year and not for Trading Periods as used for Corporation Tax purposes. Part of this £25 08 has been paid on the 2007 Tax Return and part will be paid on the 2008 Tax Return.

ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30th SEPTEMBER 2007 (continued)

5. FIXED ASSETS

The only Fixed Asset of the Company subject to depreciation is a Storage Shed at a cost of £507 00

This Shed is depreciated at the rate of 25% per annum on the reducing balance resulting in a charge to the Income & Expenditure Account this year of £22 00 and an accumulated depreciation balance carried forward of £439 00

6. MEMBERSHIP

The Company is Limited by Guarantee to the extent that each member will be liable to contribute £1 00 in the event of the company being wound up. The only persons entitled to be members are the **leasehold owners** of each of the ten flats Nos 1 to 10 inclusive at Albury Place. Where one or more persons own the lease to a particular flat, then those two or more people are together deemed to be one member with only one vote.

7. ACCUMULATED FUND

As described in Note 3, during the year ended 30th September 2007, the Company charged flat owners (for the time being and their successors) an amount of £540 00 (flats 1 to 8) and £480 00 (flats 9 & 10) as a maintenance contribution.

The amount charged is set by the Directors in advance (usually every six months) and is based on current and anticipated future requirements. The Company is also entitled to make additional charges at any time to flat owners (for the time being) in order to cover unexpected or extraordinary costs which the Company is required to discharge in accordance with its obligations.

Tenants are legally obliged to pay maintenance contributions set by and demanded by the Company and thus any arrears or non-payments are treated as collectable debtor monies.

Maintenance contributions charged to flat owners are held by the Company in an Accumulated Fund on behalf of flat owners (for the time being and their successors) until the contributions are used by the Company in compliance with its obligations. The balance of monies held in the Fund will continually fluctuate according to the effects of monies receivable and payable. The Fund need not consist solely of cash deposits but can be represented by investments or other suitable assets as the Directors see fit.

The Company itself and its members (other than in their separate capacity as flat owners) have no beneficial interest in the Accumulated Fund. ONLY in the event of a Winding Up or Dissolution of the Company would any monies remaining in the Accumulated Fund be returned to flat owners (for the time being) as refunds of maintenance contributions.

Normally, no repayments will be made from the Accumulated Fund to flat owners as refunds of maintenance contributions. Should the Directors consider that the balance of monies held in the Accumulated Fund is higher than necessary, however, then future maintenance contributions can be decreased so that the balance held in the Fund can reduce over a period of time.

8. TRANSACTIONS WITH DIRECTORS

There were no material transactions with Directors that require to be disclosed (2006 - none)

9. RELATED PARTIES

Some Gardening Services have been supplied by the Step-father of Nathaniel McDonnell (a Director) (2006 - none)

10. COMMITMENTS

There were no material commitments as at the 30th September 2007 (2006 - none)

11. POST BALANCE SHEET TRANSACTIONS

There were no transactions after the Balance Sheet date which would significantly affect the Income & Expenditure Account or the Balance Sheet entries.

ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS
INFORMATION NOT FORMING PART OF THE STATUTORY REPORTS
Brief History & Functions of the Company

At some time, probably in 1988, a company called G A BUTCHER (DORKING) LTD purchased two pieces of land in Albury Road, Merstham, the Titles of which were SY262812 and SY214547

G A Butcher (Dorking) Ltd proceeded with development of the land and built retirement homes consisting of a block of flats containing ten units and at the rear of the development, five chalet bungalows were also built. The flats are numbered 1 to 10 Albury Place and the bungalows are numbered 11 to 15 Albury Place

During construction, it seems that G A Butcher (Dorking) Ltd got into difficulty and went into receivership. It is assumed that the Receivers kept the company going in order to complete the development and to sell all the units and this subsequently happened although all units were not specifically sold for retirement purposes.

The records indicate that over a period of time, the bungalows were all sold and the Land Registry records the transfers of the land accordingly from the two main Titles previously identified. It should be noted that there are still strips of land between and at various places around the bungalows which still form part of the main Titles. The sales of land to the bungalow owners were subject to reciprocal terms and agreements in relation to access, car parking, maintenance, etc

Over a period of time also, leases on the block of flats were sold by the Receivers until all flats were sold. Note that the leases have each been given separate Land Titles and these are only listed against the main Land Title SY214547. The leases on the ten flats are for one hundred and twenty five years each and the starting dates of each lease are as listed in the Title records

The leases on the flats each specifically state the intention of the Receivers of G A Butcher (Dorking) Ltd to pass the land over to a Management Company on completion of the sale of all flats and the Title records now show that both main Titles were actually registered in the name of ALBURY PLACE RESIDENTS ASSOCIATION LTD on 6th September 1996

A further document dated 4th December 1996 confirms that the two pieces of land originally secured to Barclays Bank on 14th April 1988 were sold to Albury Place Ltd for £1 00 and this appears to ratify the arrangement previously mentioned.

As the leases on the flats have separate Land Titles and are scheduled in the main Land Title, the leases now belong to the Company as Landlords. The Company is deemed to own the Land Titles, the building containing the flats as defined by the leases, fixtures and fittings and assets in communal areas both internally and externally, and any other assets or rights not specifically identified as belonging to someone else

The function of the Company, as defined in the Memorandum and Articles of Association and in accordance with leases and other legally binding documents, is to manage and maintain the land and property at Albury Place, Albury Road, Merstham, Surrey, RH1 3LP for the mutual benefit of the Company and the tenants of that 'Estate' and wide ranging powers have been granted to the Company in order for this obligation to be achieved