

**ALBEMARLE FREEHOLD LIMITED**

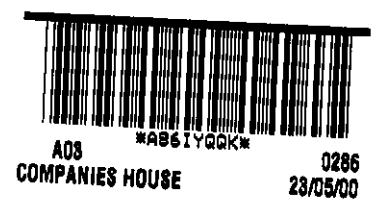
**Directors' Report and Statement of Accounts**

**31 January 2000**

Company Registration No. 3694276

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REPORT OF THE DIRECTORS

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The Directors present their report and the accounts of the company for the period from 12 January 1999 to 31 January 2000.

Principal activity

The company was incorporated on 12 January 1999.

The principal activity of the company is the management and administration of property comprising Albemarle, 11 Marlborough Road, Bournemouth, for the benefit of the leaseholders who are the shareholders of the company.

Directors and their interests in the shares of the company

The directors who held office during the period, and their interests in the shares of the company were:

		<u>Ordinary shares of £1 each</u>	
		<u>31 January 2000</u>	<u>12 January 1999</u>
M. Carol	(appointed 12/1/99)	1	1
M.L. Corbin	(appointed 12/1/99/resigned 4/3/99)	-	1
R.A. Holland	(appointed 7/9/99)	1	-
N.J. Davidson	(appointed 12/1/99)	1	1
D.R. Kennedy	(appointed 12/1/99)	1	1
P.M. Lewis	(appointed 12/1/99)	1	1
A.J. Miller	(appointed 12/1/99)	1	1
H.R. Spiller	(appointed 12/1/99)	1	1

Small company exemptions

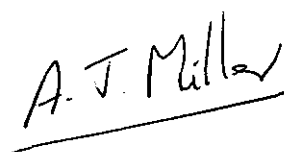
This report, which has been prepared taking advantage of special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985, was approved by the Board on 13 May 2000.

Registered office:

5 Poole Road

Bournemouth

Dorset BH2 5QL



A.J. Miller

Secretary

## INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD FROM 12 JANUARY 1999 TO 31 JANUARY 2000

	<u>Note</u>	<u>2000</u>
TURNOVER	2	9,627
Administrative expenses	3	(7,778)
Bank and building society interest receivable		7
EXCESS INCOME OVER EXPENDITURE BEFORE TAXATION	4	<u>1,856</u>
Taxation	5	6
RETAINED SURPLUS FOR THE PERIOD		<u><u>£1,850</u></u>

Financial Reporting Standard No 3

The company made no recognised gains or losses in the period ended 31 January 2000 other than the excess of income over expenditure for the period.

STATEMENT OF RETAINED INCOME

	<u>2000</u>
Retained income brought forward	0
Retained excess income over expenditure for the financial period	1,850
Retained income carried forward	<u><u>£1,850</u></u>

## BALANCE SHEET AT 31 JANUARY 2000

	<u>Note</u>	<u>2000</u>
FIXED ASSETS		
Tangible assets	6	39,500
CURRENT ASSETS		
Debtors		0
Cash at bank and in hand		<u>1,975</u>
		1,975
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	125
NET CURRENT ASSETS		<u>1,850</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		41,350
CREDITORS: AMOUNTS DUE AFTER MORE THAN ONE YEAR	8	4,500
NET ASSETS		<u><u>£36,850</u></u>
CAPITAL AND RESERVES		
Called up share capital	9	7
Share premium account	10	34,993
Income and Expenditure account		1,850
SHAREHOLDERS' FUNDS	11	<u><u>£36,850</u></u>

Small Company Exemptions

In the directors' opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31 January 2000. No notice, from members requiring an audit, has been deposited under section 249B(2) of the Act.

The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements relating to accounts, so far as applicable to the company.

Advantage is taken in the preparation of these financial statements of the special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985. In the director's opinion the company is entitled to those exemptions as a small company.

Approved by the Board on 13 May 2000.

A.J. Miller  
Director

*A.J. Miller*

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 JANUARY 2000

1. PRINCIPAL ACCOUNTING POLICIESa) Convention

The accounts are prepared in accordance with the historical cost convention.

b) Turnover

Turnover comprises charges levied on the leaseholders to cover the costs of maintaining the property.

c) Interest receivable and payable

Interest received and paid is taken to the profit and loss account in the financial year to which it relates.

d) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

2. TURNOVER

	<u>2000</u>
Maintenance charges	5,761
Ground rent	25
Past maintenance funds received from the previous freehold owner	3,841
	<u>£9,627</u>

3. ADMINISTRATIVE EXPENSES

	<u>2000</u>
Insurance	1,275
Electricity	81
Building maintenance	1,323
Decorating	2,194
Carpeting	1,240
Garden maintenance	330
Cleaning	320
Window cleaning	360
Sundry expenses	535
Accountancy fees	120
	<u>£7,778</u>

4. INCOME AND EXPENDITURE ARISING ON ORDINARY ACTIVITIES BEFORE TAXATION

Income and expenditure on ordinary activities before taxation is arrived at after charging :

Directors' remuneration	<u>£0</u>
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5. TAXATION

No corporation tax is payable by the company on its ordinary activities, although tax is due on deposit interest received. Interest is shown gross in the accounts, with tax arising thereon shown as part of the tax charge for the period. Corporation tax is also payable on the ground rent received.

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 JANUARY 2000

6. FIXED ASSETS

The company owns the underlying freehold title to land and buildings comprising of eight leasehold flats. Seven of the leaseholders are directors and shareholders of the company.

	<u>Freehold property</u>
Additions in period	39,500
Cost at 31 January 2000	<u>£39,500</u>

No depreciation is charged on the cost of the freehold building. The directors consider that this would be misleading. If depreciation had been applied this would have resulted in an annual write off of approximately £700.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2000</u>
Corporation tax payable	0
Accrued expenses	125
	<u>£125</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2000</u>
Director's Loans	3,000
Other Loan	1,500
	<u>£4,500</u>

9. CALLED UP SHARE CAPITAL

	<u>2000</u>
AUTHORISED: ..... 8 Ordinary shares of £1 each	<u>£8</u>
ALLOTTED, ISSUED AND FULLY PAID: ... 7 Ordinary shares of £1 each	<u>£7</u>

10. SHARE PREMIUM ACCOUNT

The premium arose on the issue of shares for an amount in excess of nominal value in order to fund the purchase of the freehold property.

11. RECONCILIATION OF SHAREHOLDERS' FUNDS

	<u>2000</u>
Opening shareholders funds	0
Share capital	35,000
Excess income over expenditure for the period	1,850
Closing shareholders' funds	<u>£36,850</u>