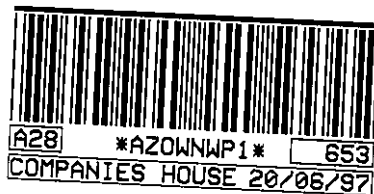


3093541

"OLD QUARRIES" RESIDENTS LIMITED

ACCOUNTS FOR THE PERIOD ENDED

31ST AUGUST 1996



VICTOR KIRBY & CO.
Chartered Accountants

82 Snakes Lane East
Woodford Green
Essex, IG8 7QQ

"OLD QUARRIES" RESIDENTS LIMITEDREPORT OF THE DIRECTORS

The directors submit their report with the accounts of the company for the period from 21st August 1995 to 31st August 1996.

INCORPORATION

The company was incorporated on 21st August 1995.

PRINCIPAL ACTIVITY

The principal activity of the company is to manage and maintain the common parts of the estate known as "Old Quarries", comprising of three houses situate at Cannon Court Road, Maidenhead, Berks.

DIRECTORS

The directors who have held office during the period were as follows:

	<u>No. of shares at 31.8.96</u>	<u>Appointed</u>	<u>Resigned</u>
D.A. Tucker Esq.	3 Founder		4.7.96
J.E. Waldron Esq.	2 Founder		4.7.96
Mrs. D.J. Kibblewhite	1 Ordinary	4.7.96	
Mrs. D.J. Watson	1 Ordinary	4.7.96	

Mrs. K.B. Sanders was appointed as a director on 21st October 1996, after the accounts date.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts comply with the Companies Act 1985. 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.

"OLD QUARRIES" RESIDENTS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

FIXED ASSETS

The company owns no fixed assets at the present time.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Messrs. Victor Kirby & Co. as auditors to the company will be put to the Annual General Meeting.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

K Sanders

K.B. Sanders
Secretary

Registered Office:

Aderyn House,
Nightingale Place,
Maidenhead,
Berks., SL6 7QN

Company No.: 03093541

Dated: *9TH JUNE 1997*

REPORT OF THE AUDITORS TO THE MEMBERS OF
"OLD QUARRIES" RESIDENTS LIMITED

We have audited the financial statements on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

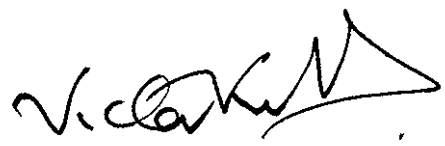
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the directors 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 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 accounts 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 accounts give a true and fair view of the state of the company's affairs as at 31st August 1996 and of the results for the period from 21st August 1995 to that date and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

82 Snakes Lane East,
Woodford Green,
Essex, IG8 7QQ


VICTOR KIRBY & CO.
Chartered Accountants
Registered Auditor

Dated: 18th June 1997

"OLD QUARRIES" RESIDENTS LIMITEDBALANCE SHEETAS AT 31ST AUGUST 1996

	<u>Notes</u>	£ p
<u>CURRENT ASSETS</u>		
Cash at bank		115.68
Debtors	2	832.57
		<u>948.25</u>
<u>CREDITORS: AMOUNTS FALLING DUE</u>		
<u>WITHIN ONE YEAR</u>	3	347.25
		<u>601.00</u> =====
<u>CAPITAL AND RESERVES</u>		
Called up share capital	4	601.00
<u>SHAREHOLDERS' FUNDS</u>		
Equity interests		600.00
Non-equity interests		1.00
		<u>601.00</u> =====

The directors have taken advantage of special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

Signed on behalf of the Board of Directors:

..... D.J. Kistler (Director)

Approved by the Board on:

9th June 1997

"OLD QUARRIES" RESIDENTS LIMITEDNOTES TO THE ACCOUNTSFOR THE PERIOD ENDED 31ST AUGUST 19961. ACCOUNTING POLICIESa) Basis of accounting

These accounts have been prepared on the historical cost basis.

b) Income

This represents the on account rent charge received in the period, being £150 per property.

c) Accounting Standards

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to produce such a statement under Financial Reporting Standard (FRS) 1 "Cash Flow Statements". Since the company is non-trading, no profit or loss arises and it must continue in operation for as long as the interest in the freehold common parts remains, the reporting requirements of FRS 3 "Reporting Financial Performance" are considered to be not relevant and have not been applied.

2. DEBTORS

	£ p
Amounts due from residents (page 8)	831.57
Developers account	1.00
	<hr/>
	832.57
	=====

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Sundry creditors and accruals	347.00
Corporation Tax due	0.25
	<hr/>
	347.25
	=====

"OLD QUARRIES" RESIDENTS LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)FOR THE PERIOD ENDED 31ST AUGUST 19964. SHARE CAPITAL AND SHAREHOLDERS' FUNDS

	£	p
<u>Authorised</u>		
5 Ordinary shares of £200 each	1,000.00	
5 Founder shares of 20p each		1.00

	1,001.00	
	=====	
<u>Allocated, called-up and fully paid</u>		
3 Ordinary shares of £200 each	600.00	
5 Founder shares of 20p each		1.00

	601.00	
	=====	

The founder shareholders have a non-equity interest since, on a winding up, they are not entitled to any share of the surplus assets of the company. These belong exclusively to the ordinary shareholders. However, until the "ultimate date", which is defined as one year after the last property has been sold, only the founder shareholders are entitled to receive notice of or attend or vote at any General Meeting. The ultimate date passed on 21st March 1997.

5. CONTINGENT LIABILITIES

The company has contingent liabilities in that it is required to maintain, repair, renew as necessary, decorate, landscape, cultivate and cleanse the Access Road and the amenity areas (if any) and any other communal parts of the estate and the lighting (if any) of the access area and any installations on the estate, the walls, fences, gates or other boundary features, any structure or apparatus erected or standing in, on or under the same and to pay any rates, taxes or other outgoings chargeable in respect of any part of the Access Area or other communal part of the estate. It is also required to effect insurance to such extent as may be reasonable against damage or destruction of any part of the common parts and all structures or apparatus thereon and against property owners and occupiers and public liability risks arising therefrom. Until all properties were sold, however, insurance cover was provided under the developer's policy.

The above also covers any further services subsequently provided in or on the Access Area or elsewhere on the estate, for the general benefit of the estate.

6. OTHER INCOME

Bank interest of £1.15 was received by the company during the period ended 31st August 1996. Provision for Corporation Tax, due @ 25%, has been made.

"OLD QUARRIES" RESIDENTS LIMITEDMANAGEMENT STATEMENTFOR THE PERIOD FROM 21ST AUGUST 1995 TO 31ST AUGUST 1996

	£	p	£	p
<u>EXPENDITURE</u>				
Company formation costs			427.87	
Accountancy and administration			276.12	
Audit fees			152.75	
Printing, postage and stationery			31.72	
Annual return filing fee			18.00	
Company secretarial costs			105.75	
Handover costs			270.26	
			<hr/>	
<u>ORDINARY EXPENDITURE</u>			1,282.47	
<u>Less:</u> Bank interest received (Note 6)		1.15		
<u>Less:</u> Corporation Tax		0.25		
		<hr/>		
			0.90	
			<hr/>	
			1,281.57	
			<hr/> <hr/>	

NOTE

This and the following pages do not form part of the statutory audited accounts.

"OLD QUARRIES" RESIDENTS LIMITEDSCHEDULE OF APPORTIONMENT OF EXPENDITUREFOR THE PERIOD ENDED 31ST AUGUST 1996

<u>House No.</u>	<u>Date of completion in the period</u>	<u>Ordinary expenditure for the period</u>		<u>Amounts paid for the period</u>		<u>Balance due from residents at 31.8.96</u>	
		<u>£</u>	<u>p</u>	<u>£</u>	<u>p</u>	<u>£</u>	<u>p</u>
1	29.9.95	427.19		150.00		277.19	
2	21.3.96	427.19		150.00		277.19	
3	19.1.96	427.19		150.00		277.19	
		<u>1,281.57</u>		<u>450.00</u>		<u>831.57</u>	
		=====		=====		=====	