

C R O COPY

BANKSIDE CLOSE MANAGEMENT COMPANY

DIRECTORS' REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2005

MAURICE ANDREWS
Chartered Accountants
Grove House
25 Upper Mulgrave Road
Cheam
Surrey, SM2 7BE



BANKSIDE CLOSE MANAGEMENT COMPANY

DIRECTORS' REPORT

The directors submit their report with the audited financial statements of the company for the year ended 30th September 2005.

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:-

- (a) Select suitable accounting policies and then apply them consistently.
- (b) Make judgements and estimates that are reasonable and prudent.
- (c) 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 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 during the year was that of a Tenant Management Company and is unchanged since last year.

DIRECTORS AND THEIR INTERESTS

The directors during the year and their beneficial interests in the issued ordinary share capital were as follows:-

		<u>Number of Shares</u> ('A' Ordinary)
P. Deakin		10
I.M. Lewis		10
N. Rosi		10
Mrs. J. Curry	(appointed 13.4.2005)	-
J. Curry	(resigned 13.4.2005)	
P.H. Geiringer	(resigned 13.4.2005)	
J. Kermik	(resigned 13.4.2005)	

AUDITORS

Maurice Andrews having been appointed as auditors during the year, have indicated their willingness to continue in office and, in accordance with the Companies Act 1985, a resolution dealing with their re-appointment will be put to the members at the next Annual General Meeting.

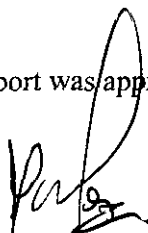
BANKSIDE CLOSE MANAGEMENT COMPANY

DIRECTORS' REPORT

(continued)

The directors' report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The directors' report was approved by the Board on 27th February 2006 and signed on its behalf by:-

A handwritten signature in black ink, appearing to be 'P. J. Homes', written over a horizontal line.

J.J. HOMES (PROPERTIES) LIMITED
SECRETARY

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BANKSIDE CLOSE MANAGEMENT COMPANY

We have audited the financial statements of Bankside Close Management Company for the year ended 30th September 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Our responsibility is to audit the financial statements in accordance with the 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 Directors' Report 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 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 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.

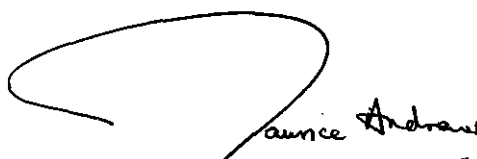
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BANKSIDE CLOSE MANAGEMENT COMPANY
(continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grove House,
25 Upper Mulgrave Road,
Cheam,
Surrey, SM2 7BE.
27th February 2006

A large, stylized handwritten signature in black ink, appearing to read 'Maurice Andrews'.

MAURICE ANDREWS
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

BANKSIDE CLOSE MANAGEMENT COMPANY
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2005

	<u>Notes</u>	<u>2005</u> £	<u>2004</u> £
SERVICE CHARGES RECEIVABLE		17,325	15,227
General maintenance costs		<u>14,768</u>	<u>15,974</u>
		2,557	(747)
Administrative expenses		<u>3,515</u>	<u>3,416</u>
OPERATING LOSS	2	(958)	(4,163)
Interest received - bank deposit		<u>30</u>	<u>21</u>
LOSS FOR THE FINANCIAL YEAR		(928)	(4,142)
Accumulated profits brought forward		<u>7,876</u>	<u>12,018</u>
ACCUMULATED PROFITS CARRIED FORWARD		<u>6,948</u>	<u>7,876</u>

BANKSIDE CLOSE MANAGEMENT COMPANY**BALANCE SHEET**
30TH SEPTEMBER 2005

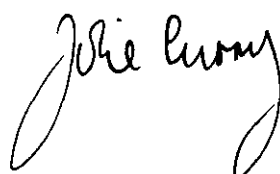
		<u>2005</u>		<u>2004</u>	
	<u>Notes</u>	£	£	£	£
FIXED ASSETS					
Tangible assets	3		4,627		4,627
CURRENT ASSETS					
Debtors	4	1,733		746	
Cash at bank		<u>3,235</u>		<u>5,750</u>	
		4,968		6,496	
CREDITORS: amounts falling due within one year	5	<u>2,437</u>		<u>3,037</u>	
NET CURRENT ASSETS			<u>2,531</u>		<u>3,459</u>
NET ASSETS			<u>7,158</u>		<u>8,086</u>
			=====		=====
CAPITAL AND RESERVES					
Called up share capital	6		210		210
Profit and loss account			<u>6,948</u>		<u>7,876</u>
SHAREHOLDERS' FUNDS			<u>7,158</u>		<u>8,086</u>
			=====		=====

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors
on 27th February 2006 and signed on its behalf by:-

J. Curry

Director



Bankside Close Management Co.

BANKSIDE CLOSE MANAGEMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2005

1. ACCOUNTING POLICIES

Accounting basis and standards

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

2. OPERATING LOSS

The operating loss is stated after charging:

	<u>2005</u>	<u>2004</u>
	£	£
Directors' emoluments	-	-
Auditors' remuneration	500	665
	<u>=====</u>	<u>=====</u>

3. TANGIBLE FIXED ASSETS

Freehold reversion

	£
Cost	
At 1.10.2004 and 30.9.2005	4,627
	<u>=====</u>

The company owns the freehold of 1-21 Bankside Close, Carshalton, Surrey.

4. DEBTORS

	<u>2005</u>	<u>2004</u>
	£	£
Sundry debtors and prepayments	1,733	746
	<u>=====</u>	<u>=====</u>

5. CREDITORS: amounts falling due within one year

	<u>2005</u>	<u>2004</u>
	£	£
Sundry creditors and accruals	2,437	3,037
	<u>=====</u>	<u>=====</u>

BANKSIDE CLOSE MANAGEMENT COMPANY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2005
(continued)

6. SHARE CAPITAL

			<u>2005</u>	<u>2004</u>
			£	£
Authorised				
Number	Class	Nominal Value		
210	Ordinary 'A'	£1	210	210
40	Ordinary 'B'	5p	<u>2</u>	<u>2</u>
			212	212
			===	===
Allotted and fully paid				
Number	Class	Nominal Value		
210	Ordinary 'A'	£1	210	210
2	Ordinary 'B'	5p	<u>-</u>	<u>-</u>
			210	210
			===	===

BANKSIDE CLOSE MANAGEMENT COMPANY
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2005

	<u>2005</u>		<u>2004</u>	
	£	£	£	£
SERVICE CHARGES RECEIVABLE		17,325		15,227
GENERAL MAINTENANCE COSTS				
Cleaning and garden maintenance	5,036		5,811	
Tree works	869		4,765	
Repairs and renewals				
- external decoration (including supervision fees)	7,874		4,400	
- general	280		330	
Electricity	79		38	
Insurance - year	<u>630</u>		<u>630</u>	
		14,768		15,974
		2,557		(747)
ADMINISTRATIVE EXPENSES				
Company return expenses	15		15	
Company secretarial fees	502		542	
Audit fee	588		781	
Management fee	1,851		1,388	
Insurance - directors' liability - year	242		242	
Legal fees	-		448	
General expenses	<u>317</u>		<u>-</u>	
		3,515		3,416
OPERATING LOSS		(958)		(4,163)
Interest received		<u>30</u>		<u>21</u>
LOSS FOR THE FINANCIAL YEAR		<u>(928)</u>		<u>(4,142)</u>