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COMPANY NO 2465178

**THE CROFT (NEW MALDEN)
RESIDENTS ASSOCIATION LIMITED
ACCOUNTS FOR THE YEAR ENDED
24 MARCH 2004**

**PRIDIE BREWSTER
CHARTERED ACCOUNTANTS
29-39 London Road
Twickenham
Middlesex TW1 3SZ**

23 June 2004



REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the year ended 24 March 2004.

PRINCIPAL ACTIVITY

The principal activity is to supervise the management of the property at The Croft, Westbury Road, New Malden, for the mutual benefit of the Leaseholders.

RESULTS	2004	2003
Surplus for the year	1,225	745
Transfer to Provision		
- General Maintenance	1,225	558
Transfer to Deficit recoverable from Leaseholders	-	187
	<u>£1,225</u>	<u>£745</u>

DIRECTORS

The following held office as Directors during the year:

Mr D R Shiner
Mr A K Williamson

Each Director holds one Share of £50 in the Company.

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 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.

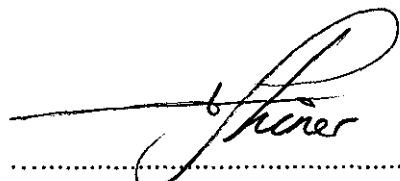
REPORT OF THE DIRECTORS (continued)

AUDITORS

The Company is entitled to audit exemption under Section 249A(1) of the Companies Act 1985 although the financial statements have been audited.

The auditors, Pridie Brewster, Chartered Accountants, are willing to continue in office, and a motion for their re-appointment will be put before the Annual General Meeting.

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'Shiner', is written over a horizontal dotted line.

DAVID ROBERT SHINER
SECRETARY

REGISTERED OFFICE

The Croft
71 Westbury Road
New Malden
Surrey KT2 7AB

23 June 2004

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CROFT
(NEW MALDEN) RESIDENTS ASSOCIATION LIMITED**

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with 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 misstatement within it. Our responsibilities do not extend to any other information.

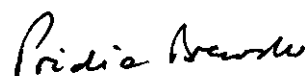
Basis of audit opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 24 March 2004 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



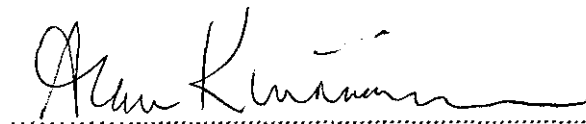
29-39 London Road
Twickenham
Middlesex TW1 3SZ

**PRIDIE BREWSTER
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS**

23 June 2004

BALANCE SHEET AT 24 MARCH 2004

	NOTE	2004	2003
FIXED ASSETS			
TANGIBLE ASSETS			
Head Lease, Subject to 11 Underleases, on The Croft, 71 Westbury Road, New Malden, Surrey			
CURRENT ASSETS			
Debtors and Prepayments	2	234	1,434
Cash at Bank		5,530	3,156
		<u>5,764</u>	<u>4,590</u>
CREDITORS - due within one year	3	<u>3,431</u>	<u>3,482</u>
NET CURRENT ASSETS		<u>2,333</u>	<u>1,108</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,333	1,108
PROVISION FOR LIABILITIES			
General Maintenance	4	<u>1,783</u>	<u>558</u>
NET ASSETS		<u>£550</u>	<u>£550</u>
EQUITY SHAREHOLDERS FUNDS			
Called up Share Capital:			
Authorised Issued and Fully Paid			
11 Ordinary shares of £50 each		<u>£550</u>	<u>£550</u>



ALAN WILLIAMSON - DIRECTOR

23 June 2004

**REVENUE ACCOUNT FOR THE YEAR ENDED
24 MARCH 2004**

	NOTE	2004	2003
REVENUE			
Ground Rents		1,200	1,200
Maintenance Contributions		7,140	7,140
Exterior Redecorations Levy		4,015	-
Other Income			
- Interest		14	12
- Corporation Tax	5	-	-
		<u>12,369</u>	<u>8,352</u>
EXPENDITURE			
Head Rent		1,200	1,200
Maintenance of Property	6	8,214	4,777
Administrative Costs	7	1,730	1,630
		<u>11,144</u>	<u>7,607</u>
OPERATING SURPLUS ON ORDINARY ACTIVITIES		1,225	745
TRANSFER TO PROVISION			
General Maintenance	4	1,225	558
Deficit recoverable from Leaseholders	9	-	187
		<u>£1,225</u>	<u>£745</u>

All Gains and Losses for the year arise from continuing operations and have been recognised in the revenue account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2004

1. ACCOUNTING POLICIES

- a) The Accounts are prepared under the historical cost convention.
- b) The Accounts are prepared in accordance with applicable accounting standards.
- c) The Company qualifies as a small Company under the requirements of Financial Reporting Standard 1 and therefore does not have to produce a cash flow statement.

2. DEBTORS AND PREPAYMENTS	2004	2003
Head Rent	-	1,200
Insurance premium prepaid	234	234
	<u>£234</u>	<u>£1,434</u>

3. CREDITORS - due within one year

Cleaning	-	45
Gardening	-	141
Ground Rent contributions	750	700
Maintenance contributions	2,255	2,170
Electricity	15	15
Audit Fee	411	411
	<u>£3,431</u>	<u>£3,482</u>

4. PROVISION FOR LIABILITIES

General Maintenance

At 25 March 2003	558
Transfer from Revenue Account	1,225
	<u>£1,783</u>

5. TAXATION

The Company is a mutual trading Company within the definition of Section 486 ICTA 1988. There is no liability to tax on income other than investment income which is charged to Corporation Tax at a rate of 0%.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
24 MARCH 2004 Continued**

6. MAINTENANCE OF PROPERTY	2004	2003
Gardening	1,692	1,985
Electricity	128	109
Fire Extinguishers	104	101
Cleaning	495	426
Window Cleaning	220	160
Insurance	1,258	1,161
General Repairs	240	835
Exterior Redecorations	4,077	-
	<u>£8,214</u>	<u>£4,777</u>

7. ADMINISTRATIVE COSTS		
Filing Fee & Penalty Fine	115	15
Audit Fee	411	411
Bank Charges	29	29
Managing Agents Fees	1,175	1,175
	<u>£1,730</u>	<u>£1,630</u>

8. TRANSACTIONS WITH RELATED PARTIES

In common with other members, each Director is a lessee of The Croft and a contributor to the running costs of the company.

9. EQUITY SHAREHOLDERS' FUNDS

Reconciliation of movement in Shareholders' Funds

	2004	2003
Surplus of Income over Expenditure	1,225	745
Transfer (to)/from provision for liabilities	(1,225)	(558)
Transfer to Deficit recoverable from Leaseholders	-	(187)
	<u>-</u>	<u>-</u>
Net Addition/(Reduction) in Shareholders' Funds	-	-
Opening Shareholders' Funds	550	550
	<u>£550</u>	<u>£550</u>
Closing Shareholders' Funds	<u>£550</u>	<u>£550</u>