

QUEENSWOOD GARDENS LIMITED

FINANCIAL STATEMENTS

**for the year ended
31st March 2004**



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Company number: 4473572

DIRECTORS' REPORT
for the period ended 31st March 2004

Directors: J Beasley
P C Penny BA
K M Roddy BA

The directors submit their report together with the financial statements for the period ended 31st March 2003.

REVIEW OF THE BUSINESS

The company was incorporated on 29th June 2002, its principal object being to acquire and hold the freehold of Queenswood Gardens, Wanstead, London E11 on behalf of the lessees.

The free hold was acquired on 29 March 2004 and the enfranchisement process is presently ongoing.

Prospective members contributed £200 each towards the initial costs of the acquisition ("The Fighting Fund") on the basis that this would only be returnable should the acquisition not proceed and to the extent that the funds had not been expended on initial costs.

DIRECTORS

The directors in office at the date of this report are listed above. The directors who served during the period and their interests in the shares of the company, all beneficially held, were as follows:

	Founder Shares of £1 each At 31 March 2004 or date of resignation	Shares of £1 each At 31st March 2003 or on appointment
J Beasley	1	-
P C Penny BA	1	-
K Roddy	1	1
R Greene (Resigned 7th June 2003)	-	-
L Kerridge (Resigned 13th August 2004)	1	-
V Knight (Resigned 17th December 2003)	-	-
P Lucas (Resigned 12th February 2004)	-	-

AUDITORS

A resolution will be put to the forthcoming annual general meeting that The Kings Mill Partnership, Chartered Accountants, be re-appointed as auditors for the ensuing year.

The directors' 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 on 26 January 2005


Director

75 Park Lane
Croydon
CR9 1XS



**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
QUEENSWOOD GARDENS LIMITED**

We have audited the financial statements of Queenswood Gardens Limited for the period ended 31 March 2004 which comprise 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 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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 accounts are free from material misstatements, 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 affairs of the company as at 31 March 2004 and of its activities for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, applicable to small companies.

The Kings Mill Partnership

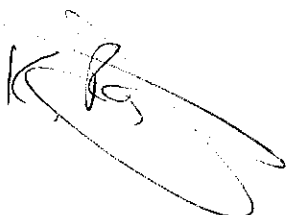
Chartered Accountants
Registered Auditors

75 Park Lane
Croydon
Surrey
CR9 1XS
26 January 2005

BALANCE SHEET
as at 31st March 2004

	Note	2004		2003	
		£	£	£	£
FIXED ASSETS					
Tangible assets	2		805,027		-
CURRENT ASSETS					
Debtors	3	17,731		-	
Cash held by solicitors		28,717		312,334	
Cash at bank		17,851		19,706	
		<u>64,299</u>		<u>332,040</u>	
CREDITORS: Amounts falling due within one year	4	<u>6,581</u>		<u>331,452</u>	
NET CURRENT (LIABILITIES)			57,718		589
			<u>£862,745</u>		<u>£589</u>
CREDITORS: amounts falling due after one year	5		862,629		-
CAPITAL AND RESERVES					
Called up share capital	8		116		1
Profit and loss account			-		-
			<u>£862,745</u>		<u>£1</u>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and were approved by the board on 26 January 2005



Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st October 2004

1. ACCOUNTING POLICIES

The following are the more important accounting policies adopted by the company:

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with Accounting Standards.

(b) Depreciation

No depreciation is provided on the company's freehold property as it is not considered to be a wasting asset

(c) Deferred taxation

Deferred taxation is provided in the financial statements on timing differences where a liability for such taxation is expected to arise in the foreseeable future.

2. FIXED ASSETS

	2004	2003
	£	£
Freehold of Queenswood Gardens, Wanstead		
Cost in year	£805,027	-

3. DEBTORS

	2004	2003
	£	£
Sundry debtors	16,769	-
Prepayments	962	-
	<u>£17,731</u>	<u>-</u>

4. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Accruals	6,581	588
Lessees deposits towards the purchase of the freehold	-	311,933
Fighting fund	-	19,519
	<u>£6,581</u>	<u>£331,452</u>

5. CREDITORS: amounts falling due after one year

	2004	2003
	£	£
Shareholders' loans	<u>862,629</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st October 2004 (continued)

6. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised		
116 Founder Shares of £1 each	116	-
42 Ordinary Shares of £1 each	42	-
158 shares of £1 each	-	158
	<u>£158</u>	<u>£158</u>
Allotted, issued and fully paid		
116 Founder Shares of £1 each	116	-
1 share of £1 each	-	1
	<u>£116</u>	<u>£1</u>

During the year, 116 shares of the authorised capital were converted to Founder Shares, representing the number of lessees who participated in the freehold acquisition, the balance of 42 shares being renamed ordinary Shares for issue to lessees who have not participated. The one share in issue was converted to a Founder share and a further 115 Founder Shares were issued to participating lessees.

7. FIGHTING FUND

	2004 £	2003 £
The Balance on the Fighting Fund was expended as follows:		
Balance brought forward	19,519	-
Contributions received	-	24,400
Less: expenses incurred to date:		
Professional fees	2,374	3,883
Company Secretarial fees	63	330
Audit and accountancy	705	588
Insurance	121	
Bank charges	29	
Printing and stationery	69	81
	<u>3,361</u>	<u>4,881</u>
	16,158	19,519
Transferred to cost of freehold	8,242	-
Transferred to Shareholders' Loans	(24,400)	-
	<u>£0</u>	<u>£19,519</u>