

**QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED**

**FINANCIAL STATEMENTS**

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

**QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED****DIRECTORS' REPORT**

for the year ended 31st March 2004

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<b>Directors:</b>	<b>K S Crosby</b>	<b>G L Kerridge</b>
	<b>E K Griffith</b>	<b>J S McElarney</b>
	<b>P Kennedy</b>	<b>P A Thurman DCH</b>

The directors present their annual report and the financial statements of the company for the period year 31st March 2004.

**PRINCIPAL ACTIVITIES**

The Company's principal activity during the year continued to be that of the administration of the maintenance, enhancement and general running of the property known as "Queenswood Gardens", Wanstead, London E11.

**RESIDENTS' FUNDS**

In order to assist the management of expenditure on the property, the Directors have decided to divide Residents' Funds between a Contingency Fund and a Major Works Fund

The Contingency fund has been established with a balance of £10,000 and remaining funds at 31 March 2004 have been placed into the Major Works Fund.

Thereafter, it is intended that any surplus arising will first be applied to maintaining the Contingency Fund at £10,000, or such other sum as the Board may decide, the balance being transferred to the Major Works Fund.

Whilst the actual percentage of the Major Works Fund to be applied against any one project will remain the Directors' discretion, it will not exceed two thirds of the total in the Fund.

**DIRECTORS' INTERESTS**

The directors who held office during the period are shown below. The directors' interests in the share capital of the company as recorded in the register of directors' share interest are as follows:

	<b>2004</b>	<b>Ordinary shares</b>	<b>2003</b>
	<b>or date of resignation</b>		<b>or date of appointment</b>
K S Crosby (appointed 4 June 2003)	<b>1</b>		1
E K Griffith (appointed 4 June 2003)	<b>1</b>		1
P Kennedy	<b>1</b>		1
G L Kerridge	<b>1</b>		1
J S McElarney (appointed 4 June 2003)	<b>1</b>		1
P A Thurman DCH	<b>1</b>		1
R Greene (resigned 17 June 2003)	<b>1</b>		1
J Beasley (ceased 4 June 2003)	<b>1</b>		1
P Lucas (ceased 4 June 2003)	<b>1</b>		1
P C Penny (ceased 4 June 2003)	<b>1</b>		1

**DIRECTORS' RESPONSIBILITIES**

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

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- 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 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 of fraud and other irregularities.

**AUDITORS**

A resolution will be put to the forthcoming Annual General Meeting that The Kings Mill Partnership, be re-appointed for the ensuing year.

**This report was approved by the Board on 7 August 2004**

*John S. McElarney - Chairman*

*E K Griffith*

Directors

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED**

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We have audited the financial statements of Queenswood Management Association Limited for the 18 months ended 31 January 2004 which comprise the Profit and Loss Account, Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention, in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities 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 auditors' 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 misstatement 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 judgments 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 misstatements, whether caused by fraud or other irregularity or error. In forming our opinion, we have 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 31st March 2004 and of its loss for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, applicable to small companies.

**Chartered Accountants  
Registered Auditors**

**75 Park Lane  
Croydon  
Surrey  
CR9 1XS**

## QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED

**INCOME AND EXPENDITURE ACCOUNT**  
 for the year ended 31st March 2004

	Notes	2004 £	2003 £
<b>INCOME</b>		102,384	88,480
Cost of sales		(101,788)	(81,790)
		596	6,690
<b>Administrative expenses</b>		(2,710)	(6,984)
		(2,114)	(294)
Bank Interest Received		469	157
<b>EXCESS OF INCOME OVER EXPENDITURE BEFORE TAXATION</b>		(1,645)	(137)
Taxation	4.	-	137
<b>RETAINED EXCESS OF INCOME OVER EXPENDITURE FOR THE FINANCIAL YEAR</b>		(1,645)	-
Balance brought forward		1,645	1,645
<b>RETAINED PROFITS CARRIED FORWARD</b>		<b>£Nil</b>	<b>£1,645</b>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above financial period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the above two financial years.

## QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED

BALANCE SHEET  
as at 31st March 2004

	Notes	2004		2003	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Monies due from lessees		14,939		7,544	
Prepayments		-		11,605	
Insurance claim		1,900		-	
Garage Lessees		-		4,635	
Cash at bank held by managing agent		47,533		38,471	
		<u>64,373</u>		<u>62,256</u>	
<b>CREDITORS: amounts falling due within one year</b>					
Lessees' deposits		-		10,099	
Sundry creditors and accruals		2,350		21,637	
		<u>2,350</u>		<u>31,736</u>	
<b>NET CURRENT ASSETS</b>			<u>62,023</u>		<u>30,520</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>62,023</u>		<u>30,520</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Major Works Fund	5.	51,944			
Contingency Fund	5.	10,000			
Residents' Funds			<u>61,944</u>		<u>28,796</u>
			<u>£79</u>		<u>£1,724</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			79		79
Profit and loss account			-		1,645
			<u>£79</u>		<u>£1,724</u>

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 directors' opinion, the company is entitled to those exemptions as a small company.

The financial statements on pages 3 to 5 were approved by the Board on 7 August 2004

*John S. McElarney - Chairman*

*E K Griffith*

Directors

## QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31st March 2004**
**1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention.

**Income**

Income represents the amount charged to resident in respect of maintenance and insurance of the property.

**Residents' Funds**

As indicated in the Directors' Report, funds are transferred from income each year in order to maintain the Contingency Fund at £10,000, the balance being transferred to the Major Works Fund.

**Cash flow Statements**

The Directors have taken advantage of the exemption not to produce a cash flow statement on the grounds that the company meets the requirements of a small company.

<b>2. EXCESS OF INCOME OVER EXPENDITURE</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Excess of income over expenditure is stated after charging:		
Auditor's remuneration	<u>1,000</u>	<u>1,000</u>

**3. DIRECTORS' EMOLUMENTS**

No remuneration was paid during the year to any of the Directors. The Directors received no consideration or benefits during the year in respect of the management of the Company either directly or from third parties

**4. TAXATION**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Corporation tax charge on interest received for the year at 0% (2003-0%)	<u>-</u>	<u>-</u>

**5. RESIDENTS' FUNDS**

	<b>Major Works Fund</b>	<b>Contingency Fund</b>	<b>Total</b>
Balances 1 April 2003	28,796	-	28,796
Transfer from/(to) Income and expenditure Account	13,049	10,000	23,049
Transfer from Lessees' deposits	10,099		10,099
Balances at 31 March 2004	<u>£51,944</u>	<u>£10,000</u>	<u>£61,944</u>

**6. SHARE CAPITAL**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Authorised share capital:</b>		
200 Ordinary shares of £0.50 each	<u>100</u>	<u>100</u>
<b>Allocated, called up and fully paid</b>		
Ordinary share capital	<u>79</u>	<u>79</u>

## QUEENSWOOD MANAGEMENT ASSOCIATION LIMITED

**INCOME AND EXPENDITURE ACCOUNT**  
**for the year ended 31st March 2004**

	2004		2003	
	£	£	£	£
<b>INCOME</b>				
Service charges		102,384		88,480
Service charges re major items		-		-
		<u>102,384</u>		<u>88,480</u>
<b>ESTABLISHMENT AND ADMINISTRATION EXPENSES</b>				
Window Cleaning	4,147		3,632	
Gardening & Cleaning costs	33,405		25,823	
Additional Gardening costs	1,093		3,191	
Repairs & Maintenance	11,353		12,654	
External Redecoration Balance	-		9,928	
Pest control	1,179		-	
Insurance	12,393		11,273	
Water Rates	251		323	
Electricity	2,508		1,605	
Telephone	111		446	
General Expenses	1,388		3,436	
Managing agent's fees	10,443		15,969	
Bank Charges	13		187	
Corporation Tax	-		(137)	
Waste Disposals	-		433	
Legal & Professional fees	457		-	
Audit and accountancy fees	2,710		2,938	
Additional accountancy work	-		4,046	
Provisions	-		(2,349)	
		<u>(81,449)</u>		<u>(93,397)</u>
		20,935		(4,917)
Interest Received		469		188
		<u>21,404</u>		<u>(4,729)</u>
<b>TRANSFERS TO/(FROM) SINKING FUNDS</b>				
Transfer (surplus)/deficit to sinking fund	(21,404)		4,729	
Additional transfer to sinking fund	(1,645)		-	
		<u>(23,049)</u>		<u>4,729</u>
<b>EXCESS OF EXPENDITURE OVER INCOME</b>				
		<u>£(1,645)</u>		<u>£Nil</u>

This statement does not form part of the statutory financial statements and is for the information of the Directors only.