
**THE LOWER NORWOOD CO-OPERATIVE BUILDING COMPANY
LIMITED**

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 MARCH 2003**



Incorporated 1862

**ONE HUNDRETH AND FORTY FIRST ANNUAL REPORT
AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003**

NOTICE IS HEREBY GIVEN that the ONE HUNDRED AND FORTY FIRST ANNUAL GENERAL MEETING of shareholders will be held at 19 Croxted Road, West Dulwich, London SE21 8TA on 23rd September 2003 at 2.00 pm for the following purposes:

- To receive and adopt the accounts for the year ended 31 March 2003 and the reports of the Directors and Auditors thereon.
- To declare a final dividend on the ordinary shares payable to the shareholders on the register on 31 July 2003.
- To re-elect the Directors and fix their remuneration.
- To authorise the Directors to fix the remuneration of the Auditors.
- To re-elect Smith Pearman as Auditors.
- To transact any other ordinary business of the Company.

BY ORDER OF THE BOARD



P.F. FRYER
Secretary

19 Croxted Road
West Dulwich
London
SE21 8TA
22nd August 2003

A member entitled to vote may appoint a proxy or proxies to attend and vote on his behalf.

A proxy need not be a member of the Company

THE LOWER NORWOOD CO-OPERATIVE BUILDING COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE LOWER NORWOOD CO-OPERATIVE BUILDING COMPANY LIMITED

Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of The Lower Norwood Co-operative Building Company Limited for the year ended 31 March 2003 set out on pages 4 to 6, together with the financial statements of the company for the year ended 31 March 2003 prepared under section 226 of the Companies Act 1985.

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 are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 6 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 11 June 2003 we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our audit report was as follows:

We have audited the financial statements of The Lower Norwood Co-operative Building Company Limited for the year ended 31 March 2003 set out on pages 6 to 11. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on 8.

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 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'

**INDEPENDENT AUDITORS' REPORT TO THE LOWER NORWOOD CO-OPERATIVE BUILDING COMPANY
LIMITED**

Under section 247B of the Companies Act 1985

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.

QUALIFIED OPINION ARISING FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT

Freehold land and buildings owned by the company for investment purposes are revalued at their open market value every three years. This is not in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) which requires investment properties to be included at open market value at the balance sheet date every year. The latest valuation is at 31st March 2003. We were unable to quantify the financial effect of this departure, which may understate the value of investment property and revaluation reserves in the balance sheet comparative figures for the previous year, 31st March 2002.

Except for the method of accounting for investment properties as stated above, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Smith Pearman

Chartered Accountants
Registered Auditors

Hurst House
High Street
Ripley
Surrey
GU23 6AY

11 June 2003

THE LOWER NORWOOD CO-OPERATIVE BUILDING COMPANY LIMITED

ABBREVIATED BALANCE SHEET
As at 31 March 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Investments	2	9,968,001	7,562,910
CURRENT ASSETS			
Debtors		54,087	34,608
Cash at bank		421,734	78,594
		<u>475,821</u>	<u>113,202</u>
CREDITORS: amounts falling due within one year		<u>(458,350)</u>	<u>(524,247)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>17,471</u>	<u>(411,045)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,985,472</u>	<u>7,151,865</u>
CREDITORS: amounts falling due after more than one year	3	<u>(766,793)</u>	<u>(807,387)</u>
NET ASSETS		<u><u>£ 9,218,679</u></u>	<u><u>£ 6,344,478</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	2,052,000	2,052,000
Revaluation reserve		5,484,209	3,051,709
Profit and loss account		1,682,470	1,240,769
SHAREHOLDERS' FUNDS		<u><u>£ 9,218,679</u></u>	<u><u>£ 6,344,478</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 11 June 2003 and signed on its behalf.


R.M. Balmforth, F.R.I.C.S
Director


M.R.L. Long, A.R.I.C.S. Registered Architect
Director

The notes on pages 5 to 6 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of investment property and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.4 Pensions

The company pays an amount equal to 20% of the secretary's salary into her personal pension fund and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.5 Investment properties

The company's investment properties have been included in the balance sheet at open market value at 31st March 2003. The directors revalue the investment properties every three years.

2. FIXED ASSET INVESTMENTS

	£
Cost	
At 1 April 2002	7,562,910
Additions	34,412
Disposals	(420,000)
Revaluations	2,790,679
At 31 March 2003	<u>£ 9,968,001</u>

Investment properties were revalued by R.M. Balmforth, F.R.I.C.S. of Stapleton Long at 31st March 2003 on the basis of open market value. He is also a director of this company.

3. CREDITORS

Creditors include amounts not wholly repayable within 5 years as follows:

2003	2002
£	£

THE LOWER NORWOOD CO-OPERATIVE BUILDING COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 2003

Repayable by instalments	£ 298,234	£ 354,766
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The bank loans are secured on the freehold properties and are repayable over 10 and 15 years. Interest is charged at 2% over the bank base rate.

4. SHARE CAPITAL

	2003 £	2002 £
Authorised, allotted, called up and fully paid		
205,200 Ordinary shares of £10 each	£ 2,052,000	£ 2,052,000
