

COMPANY REGISTRATION NUMBER : 2111002

Caledonian Residents Management Limited
Financial Statements
24th March, 2005




BROWN PEET & TILLY
Chartered Accountants & Registered Auditors

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24th MARCH, 2005

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CALEDONIAN RESIDENTS MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 24th MARCH, 2005

The Directors present their report and the audited Financial Statements of the Company for the year ended 24th March, 2005.

During the year the Company's principal activity was Property Management.

Directors

The Directors who have served during the year and their interests in the Shares of the Company are:-

	<u>Ordinary Shares of £1 each</u>	
	<u>2005</u>	<u>2004</u>
J.R. Webber (Chairman)	1	1
R. Pauley	1	1
C. Phillips	1	1
A.B. Wakefield (Resigned 04.03.2005)	-	1
S. Room (Appointed 01.12.2004)	1	-

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 as at the end of the financial year and of the profit or loss of the company for that year. In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable Accounting Standards, subject to any material departures disclosed and explained in the Financial Statements.
- prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for maintaining 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. 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.

Auditors

Brown Peet & Tilly have expressed their willingness to continue in office and a resolution will be put to the Annual General Meeting that they be re-appointed as Auditors.

The Directors Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985, relating to small companies.

Approved by the Board of Directors
and signed on its behalf



Secretary

20th August, 2005

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
CALEDONIAN RESIDENTS MANAGEMENT LIMITED

We have audited the financial statements of Caledonian Residents Management Limited for the year ended 24th March, 2005 which comprise Balance Sheet, Income and Expenditure Account, 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 auditors' 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 other information contained in the Annual Report, and consider whether it is consistent with the audited Financial Statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. 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 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 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 24th March, 2005 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Brown Peet & Tilly

BROWN PEET & TILLY
Chartered Accountants
Registered Auditors

133 Cherry Orchard Road
Croydon, CR0 6BE

2/8/, 2005

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

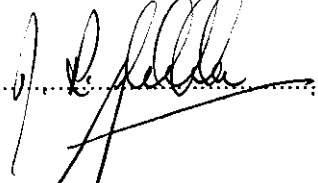
BALANCE SHEET

24th MARCH, 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
<u>CURRENT ASSETS</u>			
Debtors	(2)	89,030	62,749
Cash at Bank and in Hand		138,890	126,441
		<u>227,920</u>	<u>189,190</u>
<u>Creditors: Amounts falling due within one year</u>	(3)	<u>(82,160)</u>	<u>(57,936)</u>
<u>NET ASSETS</u>		<u><u>£145,760</u></u>	<u><u>£131,254</u></u>
<u>RESERVES</u>			
Called Up Share Capital	(5)	115	115
Reserves	(8)	145,645	131,139
Income and Expenditure Account		-	-
		<u>£145,760</u>	<u>£131,254</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.

Approved by the Board of Directors and signed on its behalf on 2/8/, 2005


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) Directors
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)

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 24th MARCH, 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
<u>TURNOVER</u>		421,350	418,502
Administrative Expenses		(416,869)	(344,383)
		<u>4,481</u>	<u>74,119</u>
Other Operating Income		6,837	845
OPERATING SURPLUS	(6)	<u>11,318</u>	<u>74,964</u>
Interest Receivable		<u>5,678</u>	<u>2,807</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		16,996	77,771
Tax on Surplus on Ordinary Activities	(7)	<u>(2,490)</u>	<u>(897)</u>
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		14,506	76,874
Transfer (to) Reserves	(8)	<u>(14,506)</u>	<u>(76,874)</u>
		-	-
Accumulated Deficit Brought Forward		-	-
Accumulated Deficit Carried Forward		<u>£ -</u>	<u>£ -</u>

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS

24th MARCH, 2005

1. ACCOUNTING POLICIES

Accounting Convention

The Financial Statements, which are prepared under the Historical Cost Accounting Convention and the Financial Reporting Standard for Smaller Entities (effective June 2002), are drawn up to 24th March each Year.

Operating Lease Commitments

Expenditure incurred in respect of operating leases is written off as a charge to the income and expenditure account in the year in which it is incurred.

	<u>2005</u>	<u>2004</u>
	£	£
2. <u>DEBTORS</u>		
Trade Debtors	30,078	39,122
Other Debtors	32,016	4,371
Prepayments and Accrued Income	26,936	19,256
	<u>£89,030</u>	<u>£62,749</u>

3. CREDITORS: Amounts falling due within one year

Trade Creditors	32,902	27,900
Income Tax	1,802	419
Other Taxation and Social Security	2,623	7,719
Other Creditors	6,961	13,185
Accruals	37,872	8,713
	<u>£82,160</u>	<u>£57,936</u>

4. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

Expiring:		
Within 2 - 5 years	<u>£19,672</u>	<u>£19,672</u>

5. SHARE CAPITAL

Authorised

115 Ordinary Shares of £1 each	<u>£115</u>	<u>£115</u>
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Allotted, Issued & Fully Paid

115 Ordinary Shares of £1 each	<u>£115</u>	<u>£115</u>
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CALEDONIAN RESIDENTS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS

24th MARCH, 2005

	<u>2005</u>	<u>2004</u>
6. <u>OPERATING SURPLUS</u>	£	£
Operating Surplus is stated after charging:		
Directors Emoluments	£ -	£ -
Auditors Remuneration	£2,233	£2,132
Exceptional Item - Settlement of Contract	£55,000	-
7. <u>TAX ON SURPLUS ON ORDINARY ACTIVITIES</u>		
Income Tax @ 40%	2,270	934
Corporation Tax - Prior Year Adjustment	220	(37)
	<u>£2,490</u>	<u>£897</u>
8. <u>RESERVES</u>		
	<u>Water Rates</u>	<u>Future Expenditure</u>
	£	£
Balance at 25th March, 2004	4,734	126,405
Transfer from Income and Expenditure Account:		
Income	15,000	95,025
Expenditure	(18,820)	(61,888)
	<u>914</u>	<u>159,542</u>
Transfer to Income and Expenditure Account	-	(14,811)
Balance at 24th March, 2005	<u>£914</u>	<u>£145,645</u>

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 24th MARCH, 2005

	<u>2005</u>	<u>2004</u>
	£	£
Amount charged per surveyors estimate	406,350	374,680
<u>Porterage</u>		
Porters salary	137,105	127,837
Relief Porter	12,823	4,523
Porters Uniforms	767	1,354
	<u>143,807</u>	<u>133,714</u>
<u>Building and managers costs</u>		
Council Tax	1,156	1,063
Porters Accommodation Costs	-	350
	<u>1,156</u>	<u>1,413</u>
<u>Energy Costs</u>		
Electricity	<u>28,919</u>	<u>22,701</u>
<u>Other Maintenance Expenditure</u>		
Cleaning	5,414	5,981
Gardening	3,706	4,204
Lifts	2,617	9,508
General Repairs and Maintenance	32,422	14,041
Plant Maintenance	7,825	2,377
Entryphone	7,648	31,723
Refuse Collection	2,604	1,877
Leisure Centre Maintenance	23,642	17,593
Sundry Expenses	1,055	2,561
Fire, Security and Alarms	7,150	1,085
Pest Control	2,597	2,268
Telephones	1,680	1,705
Bank Charges	-	19
Light Bulbs	-	955
Health and Safety	1,059	985
	<u>99,419</u>	<u>96,882</u>
<u>Professional Fees</u>		
Management Fees	21,500	21,500
Legal and Professional	3,613	594
Audit and Accountancy	2,233	2,132
Company Running Expenses	955	955
	<u>28,301</u>	<u>25,181</u>
<u>Insurances</u>		
Insurance	<u>34,559</u>	<u>45,495</u>
<u>Total Running Expenses carried forward</u>	<u>336,161</u>	<u>325,386</u>
	406,350	374,680

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 24th MARCH, 2005

	<u>2005</u>		<u>2004</u>	
	£	£	£	£
<u>Total Running Expenses brought forward</u>	336,161	406,350	325,386	374,680
Contribution to Reserve Fund:				
Normal	50,000		50,000	
Additional	35,000		-	
		421,161		375,386
Maintenance Deficit for the year		(14,811)		(706)
Deficit Brought Forward		-		-
Transfer from Reserve Fund		14,811		706
Deficit Carried Forward		<u>£ -</u>		<u>£ -</u>

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

WATER RATES

YEAR ENDED 24th MARCH, 2005

	<u>2005</u>	<u>2004</u>
	£	£
Balance brought forward at 25th March, 2004	4,734	3,731
Charge for the year	(18,820)	(18,997)
Demanded on Account	15,000	20,000
	<u>£914</u>	<u>£4,734</u>

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS

24th MARCH, 2005

	<u>2005</u>	<u>2004</u>
<u>DEBTORS</u>	£	£
<u>Trade Debtors</u>		
Arrears of Maintenance Contribution	30,078	39,122
	<u>£30,078</u>	<u>£39,122</u>
<u>Other Debtors</u>		
Insurance Claims	32,016	4,151
Corporation Tax	-	220
	<u>£32,016</u>	<u>£4,371</u>
<u>Prepayments and Accrued Income</u>		
Insurance	8,474	11,506
Plant Maintenance	-	1,807
Bank Interest Receivable	1,459	884
Lifts	221	-
Entryphone	13,335	3,709
Refuse Collection	18	18
Leisure Centre Maintenance	1,806	-
Telephone	74	162
Health & Safety	79	79
Porters Accommodation	-	1,091
Council Tax	1,099	-
General Repairs and Maintenance	371	-
	<u>£26,936</u>	<u>£19,256</u>

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS (Continued)

24th MARCH, 2005

	<u>2005</u>	<u>2004</u>
	£	£
<u>CREDITORS:</u> Amounts falling due within one year		
<u>Trade Creditors</u>		
Amounts due to suppliers	7,154	11,121
Maintenance Contributions received in advance	25,748	16,779
	<u>£32,902</u>	<u>£27,900</u>
 <u>Income Tax</u>	 <u>£1,802</u>	 <u>£419</u>
 <u>Corporation Tax</u>	 <u>£220</u>	 <u>£ -</u>
 <u>Other Taxation and Social Security</u>		
Tax and NIC due to Inland Revenue	£2,623	£7,719
	<u>£6,961</u>	<u>£13,185</u>
 <u>Other Creditors</u>		
Security Deposits	£6,961	£13,185
 <u>Accruals</u>		
Water Rates	3,514	3,734
Audit and Accountancy	2,233	2,132
Electricity	2,370	2,004
Gardening	208	69
Repairs	28,923	-
Lifts	501	501
Temp Porters	-	273
Leisure Centre Maintenance	123	-
	<u>£37,872</u>	<u>£8,713</u>

CALEDONIAN RESIDENTS MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS (Continued)

24th MARCH, 2005

	<u>2005</u>		<u>2004</u>	
<u>RESERVE FOR FUTURE EXPENDITURE</u>	£	£	£	£
Balance at 25th March, 2004		126,405		50,534
<u>Contribution to Reserve Fund:</u>				
Normal		50,000		50,000
Additional		35,000		-
<u>Other Income</u>				
Deposits written off	6,224		-	
Interest on Income Tax	3		-	
Interest on Lessees Arrears	613		845	
Gross Bank Interest Received	5,675		2,807	
<u>Less: Tax thereon</u>				
Income Tax	(2,270)		(934)	
Corporation Tax	(220)		37	
		10,025		2,755
		<u>221,430</u>		<u>127,111</u>
<u>Expenditure for the year</u>				
Cancellation of Contract - CAI Vision		(55,000)		-
Security - Porter		(6,888)		-
		<u>159,542</u>		<u>127,111</u>
Transfer to Income and Expenditure Account to fund deficit balance		(14,811)		(706)
Balance at 24th March, 2005		<u><u>£144,731</u></u>		<u><u>£126,405</u></u>