

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

**REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2004**



S H LANDES & CO

CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

Company number: 4300607

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2004**

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EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED**REPORT OF THE DIRECTOR**

The director presents its report and the audited accounts of the company for the year ended 31 March 2004.

The company's principal activity during the year was property and estate management. The company's director is satisfied with the results for the year and at the year end.

RESULTS AND DIVIDENDS

The company's deficit for the financial year is £1,051 (2003: £417). No dividend is to be paid (2003: £nil).

DIRECTOR AND ITS INTERESTS

The director who held office during the year is given below:

Annington Nominees Limited

The director held a non-beneficial interest of 1 "A" share in the company.

The director held a non-beneficial interest in a number of other site management companies. Details of these interests are disclosed in the individual entity's accounts.

DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 income and expenditure of the company for that period. In preparing those financial statements the director is required to:

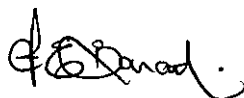
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is 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.

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED**REPORT OF THE DIRECTOR**
(continued)**AUDITORS**

The auditors, S H Landes & Co, will be proposed for re-appointment in accordance with S.385 of the Companies Act 1985.

BY ORDER OF THE BOARD



For and on behalf of Mitie Scotgate Limited

Date: 17 October 2004

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

We have audited the financial statements of Eagle Close (Ilchester) Residents Company Limited for the year ended 31 March 2004 which comprise the Income and Expenditure Account, 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 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.

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.

INDEPENDENT AUDITORS' REPORT**TO THE SHAREHOLDERS OF****EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED****(continued)****Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 and of its deficit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

S H LANDES & CO
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS

5th Floor, Walmar House
288 Regent Street
London
W1B 3AL



Date: 15 October 2004

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2004**

	Notes	2004 £	2003 £
Service charge income	2	9,556	8,820
Service charge expenses		(10,618)	(10,551)
		-----	-----
		(1,062)	(1,731)
Other operating expenses		-	-
		-----	-----
Operating deficit	3	(1,062)	(1,731)
Interest receivable and similar income		15	33
Transfer (to)/from repairs reserve	8	-	1,291
		-----	-----
Deficit on ordinary activities before taxation		(1,047)	(407)
Tax on results on ordinary activities	4	(4)	(10)
		-----	-----
Deficit for the financial year		(1,051)	(417)
Dividends	5	-	-
		-----	-----
Deficit for the financial year and retained		(1,051)	(417)
		=====	=====

All income was derived from within the United Kingdom from continuing operations. No operations were discontinued during the year.

Statement of Total Recognised Surpluses and Deficits for the year ended 31 March 2004

There are no other recognised surpluses or deficits other than the deficit for the year.

The notes on the attached pages form part of these financial statements.

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

**BALANCE SHEET
AT 31 MARCH 2004**

	Notes	2004		2003	
		£	£	£	£
CURRENT ASSETS					
Debtors	6	1,187		502	
Cash at bank and in hand		2,228		237	
		-----		-----	
		3,415		739	
CREDITORS: amounts falling due within one year	7	(4,865)		(1,138)	
		-----		-----	
NET CURRENT LIABILITIES			(1,450)		(399)
			-----		-----
NET LIABILITIES			(1,450)		(399)
			=====		=====
CAPITAL AND RESERVES					
Called up share capital	9		18		18
Income and expenditure account			(1,468)		(417)
Repairs reserve	8		-		-
			-----		-----
SHAREHOLDERS' FUNDS - EQUITY	10		(1,450)		(399)
			=====		=====

APPROVED BY THE BOARD

NIP Vaughan

**For and on behalf of Annington Nominees Limited
Director**

Date: 15 October 2004

The notes on the attached pages form part of these financial statements

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

2. SERVICE CHARGE INCOME

Service charges recoverable - income from the residents/tenants that is recoverable under the terms of their purchase agreement/lease is accounted for on an accruals basis. Over/under accruals from the previous period are dealt with in the following year in the income and expenditure account.

3. OPERATING DEFICIT

	2004	2003
	£	£
This is stated after charging:		
Auditors' remuneration	223	211
	=====	=====

4. TAX ON SURPLUS ON ORDINARY ACTIVITIES

	2004	2003
	£	£
Taxation on the surplus for the year:		
UK corporation tax at 30% (2003: 30%)	4	10
	=====	=====

5. DIVIDENDS

No dividends have been paid or proposed.

6. DEBTORS

	2004	2003
	£	£
Trade debtors	1,126	501
Amounts owed by group undertakings	1	1
Sundry debtors	60	-
	-----	-----
	1,187	502
	=====	=====

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

7. CREDITORS: amounts falling due within one year

	2004	2003
£	£	£
Amounts owed to group undertakings	4,000	-
Trade creditors	427	151
Taxation	4	10
Accrued expenses:		
Audit and accountancy	211	211
Light and heat	-	253
Drain repairs	-	90
Cleaning	223	208
Grounds maintenance	-	120
Sundries	-	95
	-----	-----
	434	977
	-----	-----
	4,865	1,138
	=====	=====

8. REPAIRS RESERVE

	2004	2003
	£	£
At 1 April 2003	-	1,291
Charged to the income and expenditure account in the year	-	-
Utilised during the year	-	(1,291)
	-----	-----
At 31 March 2004	-	-
	=====	=====

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

9. CALLED UP SHARE CAPITAL

	2004	2003
	£	£
Authorised:		
1 class "A" share	1	1
999 class "B" shares	999	999
	<u>1,000</u>	<u>1,000</u>
Issued and fully paid:		
Class "A" share allotted and fully paid	1	1
Class "B" shares allotted and fully paid	17	17
	<u>18</u>	<u>18</u>

The authorised share capital is £1,000 divided into 1 "A" share of £1 and 999 "B" shares of £1 each.

Class "A" shareholders are entitled to receive notices of, attend, speak and vote at general meetings of the company. The "A" shareholders shall transfer their share to the purchaser of the last house on the site. On transfer the share automatically becomes a "B" class share at that date. Class "B" shareholders are not entitled to receive notices of, attend, speak or vote at general meetings of the company until the "A" share is redesignated as a "B" share.

No "B" share may be allotted or issued to any person who is not a house owner/leaseholder. A "B" shareholder shall, and may only, transfer his "B" share, simultaneously with the completion of the transfer of ownership of his house or the assignment of his lease, to the new purchaser.

The director may declare dividends of which both classes of shareholder are entitled to receive. On winding up, the liquidator has the right to decide how the division of any assets between the different classes of shareholders is carried out.

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Shareholders' funds as at 1 April 2003	(399)	1,309
Deficit for the year	(1,051)	(417)
Transfer to/(from) repairs reserve	-	(1,291)
	<u>(1,450)</u>	<u>(399)</u>

EAGLE CLOSE (ILCHESTER) RESIDENTS COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004****11. EMPLOYEES**

The company had no employees during the year (2003: nil).

12. DIRECTORS' EMOLUMENTS

The director of the company received no emoluments during the year (2003: nil).

13. CASH FLOW STATEMENT EXEMPTION

The company has elected to make use of the small companies exemption provided in Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements" not to produce its own cash flow statement.

14. PARENT COMPANY

Le Grand Annington Limited, which is registered in England & Wales, is the ultimate parent company.

Consolidated financial statements for the year ended 31 March 2004 for Le Grand Annington Limited can be obtained from the Secretary, 1 James Street, London. W1U 1DR

15. COMPANY FINANCING

The company made a loss for the financial year of £1,051 and has net current liabilities of £1,450. Should the company's income prove insufficient to fund its future working capital, the shareholders have indicated their willingness to make available to the company such additional funds as it may require in respect of working capital for the foreseeable future. Having consideration to the support indicated the director has confirmed that it is appropriate to prepare the financial statements on a going concern basis.