

Company Number 04276395

WARWICK CREST LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and unaudited financial statements for the year ended 25th March 2011

PRINCIPAL ACTIVITY

The company's principal activity is to manage and maintain the development of Warwick Crest, Edgbaston, Birmingham, for the benefit of the lessees

DIRECTORS

The directors at 25th March 2011 were as follows

P G Adcock

M C Bancroft (resigned 6th December-2010)

P J Welch

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

We confirm that as directors we have met our duty in accordance with the Companies Act 2006 to

- ensure that the company has kept adequate accounting records,
- prepare financial statements which give a true and fair view of the state of affairs of the company as at 25th March 2011 in accordance with the Financial Reporting Statement for Smaller Entities,
- follow applicable accounting policies

The report of the directors has been prepared having taken advantage of the small companies exemption in the Companies Act 2006

By Order of the Board

M.W. ARNOLD

Secretary

8th September 2011



WARWICK CREST LIMITED**PROFIT AND LOSS ACCOUNT**

for the year ended 25th March 2011

	Notes	2011	2010
		£	£
TURNOVER	2	-	-
Estate Costs			
Administrative expenses		(1,278)	(4,799)
OPERATING LOSS		(1,278)	(4,799)
Ground Rent Receivable		465	645
Other rent receivable		3,096	485
Rent receivable	2,400		
Rented property expenses	(1,265)		
		1,135	-
OPERATING PROFIT/(LOSS)		3,418	(3,669)
Interest receivable		138	167
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		3,556	(3,502)
Surplus on disposal of lease extension		-	-
Profit/(Loss) before taxation		3,556	(3,502)
Taxation	3	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		3,556	(3,502)
Retained deficit brought forward		(9,656)	(6,154)
RETAINED DEFICIT CARRIED FORWARD		(6,100)	(9,656)

The notes on pages 4 to 6 form part of these financial statements

WARWICK CREST LIMITED

BALANCE SHEET

as at 25th March 2011

		2011	2010
	Notes	£	£
FIXED ASSETS			
Reversionary interest in freehold land and buildings	4	86,532	86,532
CURRENT ASSETS			
Debtors	5	716	9,157
Managing agent accounts		6,332	428
Cash at bank and in hand		30,148	20,463
		<u>37,196</u>	<u>30,048</u>
Less CREDITORS amounts falling due within one year	6	<u>(4,976)</u>	<u>(1,384)</u>
NET CURRENT ASSETS		<u>32,220</u>	<u>28,664</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>118,752</u>	<u>115,196</u>
Less CREDITORS amounts falling due after more than one year	7	<u>(124,799)</u>	<u>(124,799)</u>
		<u>(6,047)</u>	<u>(9,603)</u>
CAPITAL AND RESERVES			
Profit and loss account		(6,100)	(9,656)
Share capital	8	53	53
		<u>(6,047)</u>	<u>(9,603)</u>


For the year ending 25th March 2011 the company was entitled to exemption from audit under 477 of the Companies Act 2006 relating to small companies

Directors responsibilities

- The directors confirm that the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The accounts have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved and authorised for issue by the Board on 8th September 2011


P.J. Welch
Director

The notes on pages 4 to 6 form part of these financial statements

WARWICK CREST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 25th March 2011

1 ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of the financial statements are set out below

(a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

(b) Depreciation

No depreciation is provided on the reversionary interest in freehold land and buildings and in this respect the financial statements do not comply with the Financial Reporting Standard for Smaller Entities (effective April 2008) which requires the building element of this asset to be depreciated. If depreciation had been provided at 2% per annum straight line on the total cost of land and buildings the charge for this year would have amounted to less than £2000. In the opinion of the directors this amount is not material.

(c) Service charge accounting

The Company is responsible for the management of Warwick Crest, Arthur Road, Edgbaston and collects service charges from lessees in order to fund expenditure incurred in the management and maintenance of the estate and buildings. The company acts as a trustee of a statutory trust in accordance with the Landlord and Tenant Act 1987 in respect of service charge monies collected and expenditure incurred. Accordingly these funds are excluded from the Company's financial statements as separate Service Charge Accounts are prepared and certified.

2 TURNOVER

The company does not trade and has no turnover

3 TAXATION

	2011 £	2010 £
Corporation tax @ 21% (2010 21%)	-	-

The Company has capital losses of £692 and excess management expenses of £10,386 available for relief in future years

4 REVERSIONARY INTEREST IN FREEHOLD PROPERTY

	2011 £	2010 £
At cost at 25th March 2010	86,532	86,532
Disposal during year	-	-
At cost at 25th March 2011	86,532	86,532

WARWICK CREST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 25th March 2011

4 REVERSIONARY INTEREST IN FREEHOLD PROPERTY (CONTINUED)

Following the acquisition of the freehold reversionary interest in 2005 it was valued by Messrs Lawrence and Wightman Chartered Surveyors at £495,670. On the basis of that valuation the fifty three participants in the application to acquire the freehold reversionary interest were granted lease extensions at open market value. Three further extensions were granted to persons who are not members of the company. Two were granted at a value set by the Leasehold Valuation Tribunal and one was granted at open market value in July 2005. One lease had been extended prior to the Company's acquisition of the freehold reversion and one lease was extended during 2009.

In November 2008 the Company granted one lease extension at open market value. On the basis of that valuation the directors consider that the market value of the freehold reversionary interest at the date on which these accounts were approved was in excess of £188,000. The residual value relating to the 57 leases that have already been extended amounts to £8,000 and the market value of the freeholder's interest in the nine unextended leases and the caretaker's flat exceeds £180,000.

5 DEBTORS

	2011 £	2010 £
Ground Rent and other rent arrears	621	919
Loan to service charge fund	95	8,238
	<u>716</u>	<u>9,157</u>

6 CREDITORS: amounts falling due within one year

Ground rent paid in advance	85	85
Aerial rent demanded in advance	3,419	-
Accruals	1,472	1,299
	<u>4,976</u>	<u>1,384</u>

7 CREDITORS: amounts falling due after more than one year

Participants' loans	<u>124,799</u>	<u>124,799</u>
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The Leaseholders who participated in the purchase of the freehold provided sufficient funds by way of advance payments for lease variations to acquire the freehold and meet the Company's legal and professional costs of the acquisition. The open market value of the lease extensions amounted to less than the sums originally contributed. The balance of the sums contributed by participants represents an interest free loan to the company repayable from the proceeds, after tax, of the sale of lease extensions in the future.

8 SHARE CAPITAL

	Allotted, called up and fully paid	
	2011 £	2010 £
Ordinary shares of £1 each	<u>53</u>	<u>53</u>

• **WARWICK CREST LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 25th March 2011

9 GOING CONCERN

At 25th March 2011 the Company had accumulated losses of £6,100. The Company will receive rent income and generate surpluses in future years on the disposal of the remaining nine lease extensions. The directors therefore consider that the Company is a going concern.

10 CONTROL

No person has control of the company.