

**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
**(A company limited by Guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2007**



**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
**(A company limited by Guarantee)**

**DIRECTORS**

R JAYASURIYA (resigned 10 7 07)  
S A STRONG (resigned 15 8 06)  
J N BLACKBURNE  
D RAMROOP  
DR J RENDLE (appointed 15 8 06)  
J MOLINEUS (appointed 15 8 06)

**SECRETARY**

C L BURBRIDGE

**AUDITORS**

GIBSON APPLEBY  
BLENHEIM HOUSE  
120 CHURCH STREET  
BRIGHTON  
BN1 1AU

**BANKERS**

BARCLAYS BANK PLC  
93/97 QUEENSWAY  
LONDON

**SOLICITORS**

FYNMORES  
10/12 PARKHURST ROAD  
BEXHILL ON SEA  
EAST SUSSEX  
TN40 1DF

**REGISTERED OFFICE**

10/12 PARKHURST ROAD  
BEXHILL ON SEA  
EAST SUSSEX  
TN40 1DF

**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
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**DIRECTORS REPORT**

The Directors have pleasure in presenting their Annual Report and the audited financial statements for the year ended 31st March 2007

**PRINCIPAL ACTIVITY**

The principal activity of the company continued to be that of managing and administering the freehold of 75/77 Kensington Gardens Square

**DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were as follows -

R Jayasuriya (resigned 10 7 07)  
S A Strong (resigned 15 8 06)  
J M Blackburne  
D Ramroop  
Dr J Rendle (appointed 15 8 06)  
J Molineus (appointed 15 8 06)

**RESULTS AND FUTURE DEVELOPMENTS**

The company does not trade for profit and accordingly no profit and loss account has been prepared

The directors consider the state of the company's affairs to be satisfactory

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these 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,
- 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 that 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 1985. 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

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**DIRECTORS REPORT**  
(continued)

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

**AUDITORS**

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the board on  
behalf

29 Jan 2008

and signed on its

  
Director



**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF  
75/77 KENSINGTON GARDENS SQUARE LIMITED  
(A company limited by Guarantee)**

We have audited the financial statements of 75/77 Kensington Gardens Square Limited for the year ended 31st March 2007 set out on pages 5 to 8. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF**

**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
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(continued)

**Opinion.**

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31st March 2007 and of its surplus for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985
- the information given in the Directors' Report is consistent with the financial statements

Gibson Appleby

31 January 2008

**Gibson Appleby**  
**Chartered Accountants and Registered Auditor**  
**Blenheim House, 120 Church Street, BRIGHTON, BN1 1AU**

**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
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**INCOME AND EXPENDITURE ACCOUNT**

**for the year ended 31st March 2007**

	Note	2007 £	2006 £
<b>INCOME FROM SERVICE CHARGES</b>	1(e)	27,910	27,910
Service charge expenditure	2	(24,749)	(22,995)
<b>OPERATING SURPLUS BEFORE TAXATION</b>		3,161	4,915
Taxation	4	-	-
<b>SURPLUS AFTER TAXATION</b>		3,161	4,915
<b>SURPLUS FOR THE YEAR</b>		3,161	4,915
<b>RETAINED SURPLUS BROUGHT FORWARD</b>		9,069	4,154
<b>RETAINED SURPLUS CARRIED FORWARD</b>		12,230	9,069

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**REPAIRS RESERVE INCOME AND EXPENDITURE ACCOUNT**

**for the year ended 31st March 2007**

	Note	2007 £	2006 £
<b>INCOME FROM MAJOR WORKS CHARGES</b>	1(f)	17,000	17,000
Major works expenditure		-	-
<b>OPERATING SURPLUS</b>		17,000	17,000
Interest receivable		233	150
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		17,233	17,150
Taxation	4	(44)	-
<b>SURPLUS AFTER TAXATION</b>		17,189	17,150
Transfer to flat owners contribution reserve		-	-
<b>SURPLUS FOR THE YEAR</b>		17,189	17,150
<b>RETAINED SURPLUS BROUGHT FORWARD</b>		36,714	17,014
Major works creditor written back		-	2,550
<b>RETAINED SURPLUS CARRIED FORWARD</b>		<u>53,903</u>	<u>36,714</u>



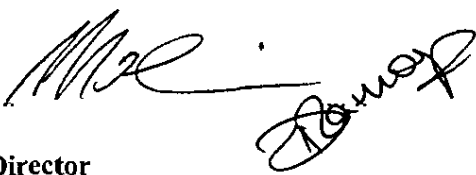
**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
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**BALANCE SHEET as at 31st March 2007**

	Note	£	2007 £	£	2006 £
<b>FIXED ASSETS</b>					
Tangible assets	5		2,353		2,424
<b>CURRENT ASSETS</b>					
Debiors	6	44,579		32,000	
Cash at bank and in hand		30,721		14,340	
		<u>75,300</u>		<u>46,340</u>	
<b>CREDITORS</b> amounts falling due within one year	7	(11,520)		(2,981)	
		<u></u>		<u></u>	
<b>NET CURRENT ASSETS</b>			63,780	43,359	
<b>NET ASSETS</b>			<u>66,133</u>	<u>45,783</u>	
<b>CAPITAL AND RESERVES</b>					
Repairs reserve	8		53,903	36,714	
Flat owners contribution reserve	9		12,230	9,069	
			<u></u>	<u></u>	
<b>FLAT OWNERS FUNDS</b>	10		<u>66,133</u>	<u>45,783</u>	

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Approved by the Board on 29 Jan 2008

  
Director

**75/77 KENSINGTON GARDENS SQUARE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31st March 2007**

**1. ACCOUNTING POLICIES**

There have been no changes in accounting policies during the year

**a) Status**

The company is limited by guarantee and the liability of the members is limited to £1 each

**b) Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

**c) Turnover**

Turnover represents amounts receivable from flat owners for general maintenance contributions and major works contributions due

**d) Profit and Loss Account**

The company does not trade for profit, but receives income which is required to meet service charges and major works expenditure. Accordingly, no profit and loss account has been prepared

**e) Service charge income**

Income from service charges represents the amount demanded from flat owners in respect of the year under review

**f) Repairs reserve**

The expenditure of the company under the terms of the leases which govern its activities has been divided between general maintenance expenditure and major works expenditure

General maintenance expenditure is dealt with in the income and expenditure account, and detailed in the statement of service charge expenditure. Any surplus for the year is to be repaid to the flat owners, a deficit for the year is to be recovered from the flat owners

Major works expenditure is treated as a movement on the repairs reserve, and any surplus is carried forward to be available for use in future years. A deficit arising on the repairs reserve is recoverable as a surcharge from flat owners

**g) Depreciation**

Depreciation is calculated to write off the cost of fixed assets over their expected useful economic lives at the following rates

Freehold property    straight line over 50 years

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**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31st March 2007**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>2. SERVICE CHARGE EXPENDITURE</b>		
General service charge expenditure includes		
Auditors remuneration	2,056	2,081
Depreciation	71	71
	<u>          </u>	<u>          </u>
<b>3. DIRECTORS</b>		
No directors received remuneration during the year to 31 <sup>st</sup> March 2007 nor during the year to 31 <sup>st</sup> March 2006		
<b>4. TAXATION</b>		
Tax at 19% on interest received	44	-
	<u>          </u>	<u>          </u>
The company does not trade for profit and as such is not subject to UK corporation tax on its management activities		
<b>5. FIXED ASSETS</b>		<b>Freehold Land and Buildings</b>
		<b>£</b>
<b>COST</b>		
At 1st April 2006 and 31st March 2007		3,560
		<u>          </u>
<b>DEPRECIATION</b>		
At 1st April 2006		1,136
Charge for year		71
		<u>          </u>
At 31st March 2007		1,207
		<u>          </u>
<b>NET BOOK VALUE</b>		
At 31st March 2007		2,353
		<u>          </u>
<b>NET BOOK VALUE</b>		
At 31st March 2006		2,495
		<u>          </u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31st March 2007**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>6. DEBTORS</b>		
Service charge and repairs reserve arrears contributions	30,910	16,353
Major works deficit to be demanded	9,361	9,361
Major works arrears b/fwd	661	661
Prepayments	2,402	4,443
Other debtor	1,245	1,182
	<u>44,579</u>	<u>32,000</u>
<b>7. CREDITORS : amounts falling due within one year</b>		
Service charge contributions received in advance	-	-
Other creditors and accruals	11,476	2,981
Tax payable	44	-
	<u>11,520</u>	<u>2,981</u>
<b>8. REPAIRS RESERVE</b>		
Retained surplus at 1st April 2006	36,714	17,014
Retained surplus for the year	17,233	17,150
Major works creditor written back	-	2,550
	<u>53,947</u>	<u>36,714</u>
<b>9. FLAT OWNERS CONTRIBUTIONS RESERVE</b>		
Retained surplus at 1st April 2006	9,069	4,154
Retained surplus/deficit for year	3,161	4,915
	<u>12,230</u>	<u>9,069</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**for the year ended 31st March 2007**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>10. RECONCILIATION OF MOVEMENTS ON FLAT OWNERS FUNDS</b>		
Surplus on flat owners contributions reserve	3,161	4,915
Surplus on repairs reserve	17,189	17,150
Major works creditor written back	-	2,550
	<u>20,350</u>	<u>24,615</u>
Net surplus to flat owners funds	20,350	24,615
Opening flat owners funds at 1st April 2006	45,783	21,168
	<u>66,133</u>	<u>45,783</u>
Closing flat owners funds at 31st March 2007	<u>66,133</u>	<u>45,783</u>

**11. ULTIMATE CONTROL**

Ultimate control of the company rests with the flat owners