

**C R O COPY**

Registered Number  
2731828

**DENMARK ROAD RESIDENTS**  
**COMPANY LIMITED**  
**DIRECTORS' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1996**

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**MAURICE ANDREWS**  
**Chartered Accountants**  
**Grove House**  
**25 Upper Mulgrave Road**  
**Cheam**  
**Surrey, SM2 7BE**

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## DENMARK ROAD RESIDENTS COMPANY LIMITED

### DIRECTORS' REPORT

The directors submit their report with the audited financial statements of the company for the year ended 31st December 1996.

#### DIRECTORS' RESPONSIBILITIES

Company law requires the directors to have financial statements prepared for each financial year which 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 having those financial statements prepared, the directors are required to:-

- (a) Select suitable accounting policies and then apply them consistently.
- (b) Make judgements and estimates that are reasonable and prudent.
- (c) Have the financial statements prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for having proper accounting records kept, which disclose with reasonable accuracy at any time, the financial position of the company and to 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.

#### RESULTS AND DIVIDENDS

The state of the company's affairs at 31st December 1996, and the results of its operations for the year ended on that date are set out in the attached financial statements.

The directors do not recommend the payment of a dividend.

#### PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of a tenant management company and was unchanged throughout the year.

#### DIRECTORS AND THEIR INTERESTS

The directors during the year and their beneficial interests in the issued ordinary share capital were as follows:

	<u>Number of shares</u>
G.P. Cane	1 held jointly
S.J. Collins	1
C.M. Dillon	1
W.A. Hill	1
D.A. Lear	1
S.M. Moore	1
C.A. Sykes	1 held jointly

**DENMARK ROAD RESIDENTS COMPANY LIMITED**

**DIRECTORS' REPORT**

**(continued)**

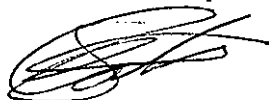
**CLOSE COMPANY STATUS**

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

**AUDITORS**

Maurice Andrews having been appointed as auditors during the year have indicated their willingness to continue in office and, in accordance with the Companies Act 1985, a resolution dealing with their re-appointment will be put to the members at the next Annual General Meeting.

The directors' report was approved by the Board on 13th June 1997 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'S.J. COLLINS', written over a horizontal line.

S.J. COLLINS,  
SECRETARY.

**AUDITORS' REPORT**

**TO THE MEMBERS OF DENMARK ROAD RESIDENTS COMPANY LIMITED**

We have audited the financial statements on pages 4 to 7 which have been prepared on the basis of the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 1, the company's directors are responsible for having financial statements prepared. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**


We conducted our audit in accordance with 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grove House,  
25 Upper Mulgrave Road,  
Cheam,  
Surrey, SM2 7BE.  
13th June 1997

  
MAURICE ANDREWS  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

**DENMARK HOUSE RESIDENTS COMPANY LIMITED****PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 1996**

	<u>Notes</u>	<u>1996</u> £	<u>1995</u> £
SERVICE CHARGES RECEIVABLE		20,049	24,148
General maintenance costs		<u>16,195</u>	<u>20,328</u>
		3,854	3,820
Administrative expenses		<u>4,168</u>	<u>4,945</u>
OPERATING LOSS	2	( 314)	( 1,125)
Interest received		<u>210</u>	<u>624</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		( 104)	( 501)
Taxation - re interest		<u>51</u>	<u>156</u>
LOSS FOR THE FINANCIAL YEAR		( 155)	( 657)
Accumulated profits brought forward		<u>3,128</u>	<u>3,785</u>
ACCUMULATED PROFITS CARRIED FORWARD		<u>2,973</u>	<u>3,128</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or the previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company had no recognised gains or losses other than the loss for the current year and for the previous year.

**DENMARK ROAD RESIDENTS COMPANY LIMITED****BALANCE SHEET**  
**31ST DECEMBER 1996**

	<u>Notes</u>	<u>1996</u> £	<u>1995</u> £
CURRENT ASSETS			
Debtors	3	5,002	18,566
Cash at bank		<u>18,711</u>	<u>-</u>
		23,713	18,566
CREDITORS: amounts falling due within one year	4	<u>3,925</u>	<u>2,484</u>
NET CURRENT ASSETS		19,788	16,082
PROVISIONS FOR LIABILITIES AND CHARGES			
Maintenance provision	5	<u>14,505</u>	<u>10,644</u>
NET ASSETS		<u>5,283</u>	<u>5,438</u>
CAPITAL AND RESERVES			
Called up share capital	6	385	385
Share premium		1,925	1,925
Profit and loss account		<u>2,973</u>	<u>3,128</u>
SHAREHOLDERS' FUNDS	7	<u>5,283</u>	<u>5,438</u>

The financial statements were approved by the Board of Directors  
on 13th June 1997 and signed on its behalf by:



S.M. Moore - Director

**DENMARK ROAD RESIDENTS COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1996**

1. ACCOUNTING POLICIES

**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

2. OPERATING LOSS

The operating loss is stated after charging:

	<u>1996</u>	<u>1995</u>
	£	£
Directors' remuneration	-	-
Auditors' remuneration	600	600
	<u>          </u>	<u>          </u>

3. DEBTORS

	<u>1996</u>	<u>1995</u>
	£	£
Due within one year -		
Sundry debtors and prepayments	4,494	1,402
Held by agents	<u>508</u>	<u>17,164</u>
	<u>5,002</u>	<u>18,566</u>
	<u>          </u>	<u>          </u>

4. CREDITORS: amounts falling due within one year:

	<u>1996</u>	<u>1995</u>
	£	£
Sundry creditors and accruals	3,875	2,328
Current corporation tax	<u>50</u>	<u>156</u>
	<u>3,925</u>	<u>2,484</u>
	<u>          </u>	<u>          </u>

5. MAINTENANCE PROVISION

	<u>1996</u>	<u>1995</u>
	£	£
Balance at 31.12.1995	10,644	1,846
Additional provision during year	<u>3,861</u>	<u>8,798</u>
Balance at 31.12.1996	<u>14,505</u>	<u>10,644</u>
	<u>          </u>	<u>          </u>

**DENMARK ROAD RESIDENTS COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1996****(continued)**

## 6. SHARE CAPITAL

			<u>1996</u>	<u>1995</u>
			£	£
Authorised				
Number	Class	Nominal Value		
100	Ordinary	£5	<u>500</u>	<u>500</u>
Allotted and fully paid				
Number	Class	Nominal Value		
77	Ordinary	£5	<u>385</u>	<u>385</u>

## 7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
	£	£
Shareholders' funds at beginning of year	5,438	5,585
Loss for the financial year	( 155)	( 657)
Shares issued - at a premium	<u>-</u>	<u>510</u>
Shareholders' funds at end of year	<u>5,283</u>	<u>5,438</u>



**DENMARK ROAD RESIDENTS COMPANY LIMITED**

**DETAILED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 1996**

	<u>1996</u>		<u>1995</u>	
	£	£	£	£
SERVICE CHARGES RECEIVABLE		20,049		24,148
GENERAL MAINTENANCE COSTS				
Cleaning and garden maintenance	5,125		5,643	
Repairs and renewals - general	1,141		416	
Bin hire	688		876	
Insurance	2,313		2,286	
Electricity	1,520		1,308	
Water rates	167		167	
Door entry system	<u>1,380</u>		<u>834</u>	
	12,334		11,530	
Transfer to maintenance provision	<u>3,861</u>		<u>8,798</u>	
		<u>16,195</u>		<u>20,328</u>
		3,854		3,820
ADMINISTRATIVE EXPENSES				
Company return expenses	112		18	
Share certificate expenses	24		-	
Accountancy and audit	600		600	
Management fee	3,397		4,327	
Miscellaneous	<u>35</u>		<u>-</u>	
		<u>4,186</u>		<u>4,945</u>
OPERATING LOSS		( 314)		( 1,125)
Interest received		<u>210</u>		<u>624</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		( 104)		( 501)
Taxation - re interest		<u>51</u>		<u>156</u>
LOSS FOR THE FINANCIAL YEAR		<u>( 155)</u>		<u>( 657)</u>