

FIRST OF THREE SIGNED ORIGINALS

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1994

COMPANY NUMBER: 2731828



A19 \*AZYUUSQU\* 496  
COMPANIES HOUSE 16/03/95

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1994

COMPANY NUMBER: 2731828

KPMG  
NORFOLK HOUSE  
499 SILBURY BOULEVARD  
CENTRAL MILTON KEYNES  
MK9 2HA

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1994.

Principal activities

The purpose of the company is to manage the mutual interests of the lessees of plots 1-77 Denmark Road, Carshalton.

Proposed dividend

The directors do not recommend the payment of a dividend.

Proposed transfers to reserves

The result shown in the attached income and expenditure account will be carried forward.

Directors and directors' interests

The directors who held office during the year were as follows:

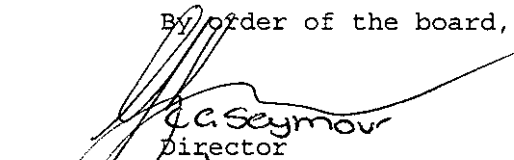

C H Payne  
J Begbie  
I Courts (resigned 7 February 1994)  
C G Seymour

The directors who held office during the year had no beneficial interests in the shares of the company.

Auditors

On 6 February 1995 our auditors changed the name under which they practice, to KPMG and accordingly have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board,

  
C.G. Seymour  
Director  
  
J. Begbie  
Director

Registered number: 2731828

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each 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 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;
- . state whether applicable accounting standards have been followed, 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 presume that the company will continue in business.

The directors are responsible for keeping proper financial records 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 have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The statement of directors' responsibilities was approved by the board of directors on 9 March 1995

*[Signature]*

) Directors

*[Signature]*

Norfolk House  
499 Silbury Boulevard  
Central Milton Keynes  
MK9 2HA

REPORT OF THE AUDITORS  
TO THE MEMBERS OF DENMARK ROAD  
RESIDENTS COMPANY LIMITED

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described in page 2 the company's directors are responsible for the preparation of financial statements. 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 the 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 at 31 December 1994 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

14 March 1995

*KPMG*

KPMG  
Chartered Accountants  
Registered Auditors

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>Note</u>	<u>1994</u> £	<u>76 week period</u> <u>ended 31.12.93</u> £
TURNOVER			
Service charges invoiced		11,228	-
Tenants service charges prepaid		(3,785)	-
Borne by landlords		3,886	232
		<hr/> 11,329	<hr/> 232
ADMINISTRATIVE EXPENSES			
Insurance	1,295		-
Electricity	735		-
Repairs	129		-
Cleaning and gardening	2,860		-
Door entry system	823		-
Water rates	32		-
Audit fee	600		200
Administration fee	2,977		-
Annual return	32		32
Transfer to maintenance provision	1,846		-
		<hr/> (11,329)	<hr/> (232)
RETAINED RESULT FOR			
THE FINANCIAL YEAR/PERIOD	3	-	-
RESULT CARRIED FORWARD			
		<hr/> - <hr/>	<hr/> - <hr/>

There were no acquisitions or discontinued operations during the year.

The company had no recognised gains or losses, other than the retained result for the financial year stated above.

The notes on pages 7 and 8 form part of these financial statements.

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
BALANCE SHEET AT 31 DECEMBER 1994

	<u>Notes</u>	£	<u>1994</u> £	£	<u>1993</u> £
CURRENT ASSETS					
Due from Laing Homes Limited		6,764		260	
Unpaid service charges		255		-	
Prepayments		2,625		-	
		<u>          </u>	9,644	<u>          </u>	260
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Tenants service charges prepaid		3,785		-	
Accruals		2,213		200	
		<u>          </u>	(5,998)	<u>          </u>	(200)
PROVISIONS FOR LIABILITIES AND CHARGES					
Maintenance provision			(1,846)		-
NET ASSETS			<u>1,800</u>		<u>60</u>
CAPITAL AND RESERVES					
Called up share capital	5		300		10
Share premium	5		1,500		50
			<u>1,800</u>		<u>60</u>

The financial statements were approved by the board of directors on 9 March 1995

cc: Symon  
50 Eggle  
)  
) Directors  
)

The notes on pages 7 and 8 form part of these financial statements.

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>1994</u>	<u>76 week period</u> <u>ended 31.12.93</u>
	£	£
Shareholders' funds brought forward	60	-
Issue of shares		
Ordinary	290	10
Share premium	1,450	50
	<hr/>	<hr/>
Shareholders' funds carried forward	<u>1,800</u>	<u>60</u>

DENMARK ROAD  
RESIDENTS COMPANY LIMITED  
NOTES

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Service charges

The residents company is currently administered by Laing Homes Limited, the developers. Service charges are charged to the tenants each year based on budgeted expenditure. Any deficit or surplus arising where the actual expenditure does not equal the budgeted expenditure is reflected in the accounts as a debtor or a creditor and is recovered from, or refunded to, tenants in the course of the following year. Any service charges relating to a property which is built but not sold is borne by Laing Homes Limited.

Maintenance provision

The company is liable to ensure that certain areas, external to the flats, are kept in good repair and decorative order. This includes major redecorative work every few years. It has been decided that a separate provision should be maintained to cover the expected costs and appropriations are made from the income and expenditure account for this purpose.

Taxation

The company is a non-profit making enterprise and surpluses or deficits arising as a result of differences between service charges levied (based on estimated costs) and actual costs incurred do not fall within the scope of corporation tax. Tax is payable on investment income only.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers during the year.

2 ANALYSIS OF TURNOVER AND RESULT ON ORDINARY ACTIVITIES

The turnover and result is wholly attributable to the company's main activity.

The turnover arises entirely in the U.K.

DENMARK ROAD  
RESIDENTS COMPANY LIMITED

NOTES  
continued

3 RETAINED RESULT FOR THE FINANCIAL YEAR

The retained result for the financial year is stated after charging:

	<u>1994</u>	<u>76 week period</u> <u>ended 31.12.93</u>
	£	£
Auditors' remuneration and expenses	600	200
	<u>          </u>	<u>          </u>

4 DIRECTORS AND STAFF

No emoluments were paid to the directors during the year or previous period and the company had no employees.

5 CALLED UP SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
	£	£
Authorised:		
100 Ordinary shares of £5 each	500	500
	<u>          </u>	<u>          </u>
Allotted, called up and fully paid:		
60 Ordinary shares of £5 each	300	10
	<u>          </u>	<u>          </u>

During the year 58 ordinary shares of £5 each were issued at a premium of £25 each (yielding additional share premium of £1,450) in order to provide working capital.

6 COMMITMENTS

There were no capital commitments as at the balance sheet date.