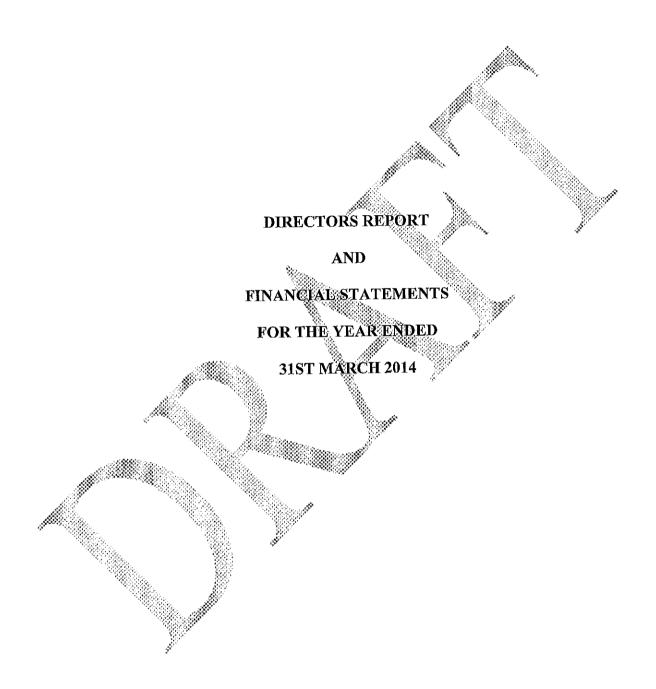
DAY FLATS RESIDENTS LIMITED

Company No. 01906698 (England and Wales)



WARNEFORD GIBBS
CHARTERED CERTIFIED ACCOUNTANTS

RUISLIP, MIDDLESEX HA4 7AE DAY FLATS RESIDENTS LIMITED

COMPANY INFORMATION

D R Dowden-Brown (resigned 2nd December 2013) **Directors** W J Fisher (appointed 2nd December 2013) R Houghton S Jelf V J Knowles V M Navarro J M Shields (resigned 10th June 2013) D J Sullivan (appointed 2nd December 2013) R Sullivan A Bosi Secretary 01906698 Company number The Croft Registered office Wall Street London N1 3NB Warneford Gibbs Accountants College House 17 King Edwards Road Ruislip Middlesex **HA47AE** Unity Trust Bank Plc **Bankers** United Trust Bank Limited Santander Plc

DAY FLATS RESIDENTS LIMITED REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31st March 2014.

Principal activity

The principal activity of the company continues to be that of management agents for resident associations. The company is a non-profit making organisation.

Directors

The following directors have held office since 1st April 2013:-

D R Dowden-Brown (resigned 2nd December 2013)

W J Fisher (appointed 2nd December 2013)

R Houghton

S Jelf

V J Knowles

V M Navarro

J M Shields (resigned 10th June 2013)

D J Sullivan (appointed 2nd December 2013)

R Sullivan

Statement of directors' responsibilities

The directors are responsible for preparing 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the 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:

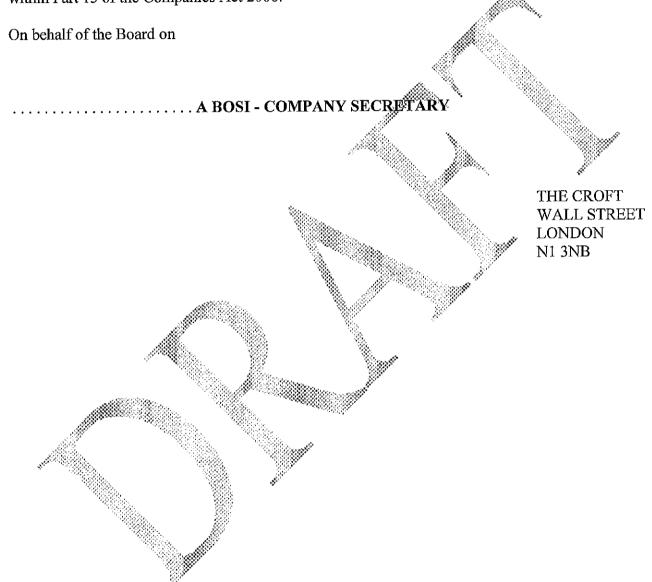
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

DAY FLATS RESIDENTS LIMITED REPORT OF THE DIRECTORS (Continued)

Small company disclosure

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.



CHARTERED CERTIFIED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT ON THE UNAUDITED FINANCIAL STATEMENTS OF DAY FLATS RESIDENTS LIMITED

To the Board of Directors and the members of Day Flats Residents Limited ('the Company')

We have performed certain procedures in respect of the Company's unaudited financial statements for the year ended 31st March 2014 as set out on pages 5 to 11, made enquiries of the Company's directors and assessed accounting policies adopted by the directors, in order to gather sufficient evidence for our conclusion in this report.

This report is made solely to the Company's directors and the Company's members, in each case as a body, in accordance with the terms of our engagement letter. It has been released to the directors and the members on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the directors' own internal purposes or amongst the directors and members or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the directors and the members those matters that we have agreed to state to them in this 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 directors as a body and the Company's members as a body, for our work, for this report or the conclusions we have formed.

Respective responsibilities

The Company's directors have confirmed that they have met their duty as set out in the directors' statement page one. They consider that the Company is exempt from the statutory requirement for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to the Company's directors and the Company's members on the financial statements.

Scope

We conducted our engagement in accordance with the Institute of Chartered Accountants in England and Wales Interim Technical release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with Generally Accepted Accounting Practice in the UK and the Financial Reporting Standard for Smaller Entities. If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations or internal controls, and we We are not required to, and we do not, express an audit opinion on these financial have not done so. statements.

CHARTERED CERTIFIED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT ON THE UNAUDITED FINANCIAL STATEMENTS OF DAY FLATS RESIDENTS LIMITED (continued)

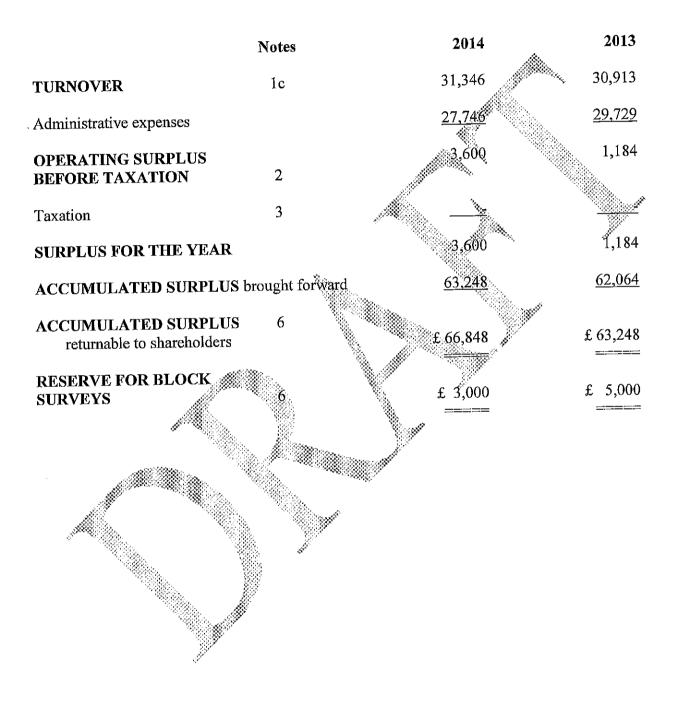
Conclusion

Based on our work, nothing has come to our attention to refute the directors' confirmation that in accordance with the Companies Act 2006 the financial statements give a true and fair view of the state of the Company's affairs as at 31st March 2014 and of its surplus or deficit for the year then ended and have been properly prepared in accordance with Generally Accepted Accounting Practice in the UK and the Financial Reporting Standard for Smaller Entities.

COLLEGE HOUSE,
17 KING EDWARDS ROAD,
RUISLIP,
MIDDLESEX
HA4 7AE

CHARTERED CERTIFIED ACCOUNTANTS

DAY FLATS RESIDENTS LIMITED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014



DAY FLATS RESIDENTS LIMITED BALANCE SHEET AT 31ST MARCH 2014

	Notes	2014	2013
FIXED ASSETS			
Tangible assets	1e & 4	30,197	30,229
CURRENT ASSETS			
Debtors	5		28,008
Cash at bank		<u>9945</u>	<u>53,947</u> 81,955
CREDITORS: amounts fa	alling due		
within one year	6	<u>87,667</u>	80,815
NET CURRENT ASSET	S	1,174	<u>_1,140</u>
TOTAL ASSETS LESS		JTIES 31,371	31,369
CREDITORS: amounts fa	alling due after 7	<u>6,369</u>	<u>7,505</u>
NET ASSETS		£ 25,002	£ 23,864
Represented by:			
CAPITAL AND RESER	VES		
Called up share capit	al 8	156	154
Share premium accou		84,928 (60,082)	83,792 (60,082)
Revaluation reserve		•	
SHAREHOLDERS' FU	NDS 10	£ 25,002 =====	£ 23,864 =====

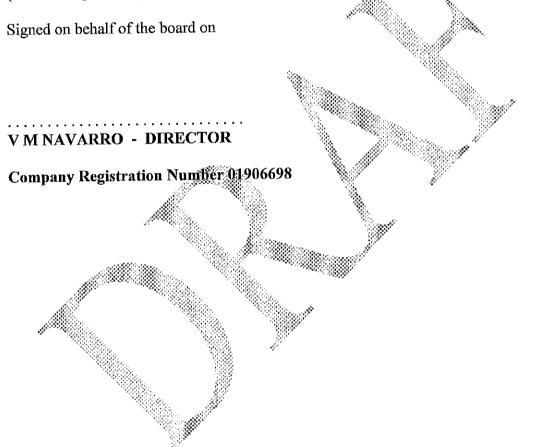
DAY FLATS RESIDENTS LIMITED BALANCE SHEET AT 31ST MARCH 2014 (continued)

For the financial year ended 31st March 2014 the company was entitled to exemption from audit under section 477 Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).



DAY FLATS RESIDENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

ACCOUNTING POLICIES 1.

Accounting convention a)

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

Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

Turnover c)

Turnover represents contributions from tenants in respect of management expenses, ground rent and insurances relating to the properties owned by the company and sundry other contributions to company costs.

Format of accounts d)

As permitted by Section 396 of the Companies Act 2006, the financial statements have not been drawn up in accordance with any of the formats laid down in that Act. In the opinion of the directors, none of the prescribed formats are relevant to the activities of the company and it is considered that the format adopted, which is consistent with previous years, gives a true and fair view and provides the members with more appropriate information and hence a further understanding of the year sactivities than would otherwise be the case.

In all other respects the accounts have been drawn up to meet the requirements of the Companies Act 2006.

Tangible fixed assets and depreciation e)

Tangible fixed assets are stated at cost less depreciation.

No depreciation has been provided on the freehold assets as required by FRS15. In the directors opinion the assets have been included at their anticipated open market value.

The land and freehold assets held by the company have been devalued based on the last disposal value obtained on the buy out of a freehold by a residents group or association.

Revenue recognition f)

Income represents contributions from tenants in respect of costs as determined by the company. Revenue is recognized as for the period in which these costs are levied on the tenants. The company is not trading and is not involved within the value added tax system.

Directors transactions

Any charges receivable or debts owing to the company, regarding a director, are treated as being with a leaseholder and not with an officer of the company and no separate notes have been shown in the financial statements.

DAY FLATS RESIDENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2014

1. ACCOUNTING POLICIES (continued)

h) Taxation

The company has been accepted by the H M Revenue & Customs as a non-profit organization as any income received is offset against expenses and as such no provision for taxation is required.

		2014	2013
2.	OPERATING SURPLUS		
	The operating surplus is stated after charging:		£
	Directors' honorarium		
3.	TAXATION		•
	Corporation Tax	£	£ -
4.	TANGIBLE ASSETS	Freehold Land Office	—— Total
		Equipment	
	COST OR VALUATION As at 1st April 2013	30,146 399	30,545
	Addition Disposal	 	-
	Revaluation (see note 9) Cost or valuation at 31st March 2014	£ 30,146 £ 399	£ 30,545
	DEPRECIATION At 1st April 2013	- 316	316
	Depreciation for the year At 31st March 2014	£ £ 348	£ 348
	NET BOOK VALUE At 31st March 2014	£30,146 £ 51	£ 30,197
			=
	At 31st March 2013	£ 30,146 £ 83 £	£ 30,229 =====

DAY FLATS RESIDENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2014

5.	DEBTORS	2014	2013
	Other debtors Prepayments and accrued income Amounts due from tenants	366 27,569 £ 27,935	366 27,642 £ 28,008 =====
6.	CREDITORS - amounts falling due within one year		
	Accumulated surplus returnable to shareholders Reserve for block inspections Amounts due to tenants	66,848 8,000 981	63,248 5,000* ,981 -
	Corporation tax Accruals and other creditors	£ 87,667 ====	£ 80,815
7.	CREDITORS: amounts falling due after more than one year		
	Shareholders contributory loan	£ 6,369 =====	£ 7,505
8.	SHARE CAPITAL		
	Authorised 200 Ordinary Shares of £1 each	£ 200	£ 200
	Called up, allotted and fully paid 156 Ordinary Shares of £1 each	£ 156	£ 154
	Two ordinary shares were issued in the year.		
9.	REVALUATION RESERVE		
	Provision for the reduction in value to write down the freehold land to its anticipated open market value.	£ (60,082)	£ (60,082)

DAY FLATS RESIDENTS LIMITED NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31ST MARCH 2014

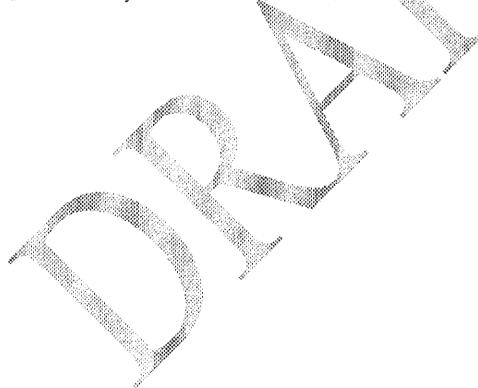
10. MOVEMENTS OF SHAREHOLDERS' FUNDS			Re- valuation Reserve	Total
Balance at 1st April 2013 Share issue (see note 8) Balance at 1st April 2014	154 £ 156	83,792 1,136 £ 84,928	(60,082) £ (60,082)	23,864 1,138 £ 25,002

11. ULTIMATE CONTROLLING PARTY

There is no overall controlling party.

12. LANDLORD AND TENANTS ACT 1987

In accordance with sections 47 and 48 of the above Act, the landlord's address for the service of documents is:- Day Flats Residents Ltd., The Croft, Wall Street, London N1 3NB.



DAY FLATS RESIDENTS LIMITED DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014

	2014	2013
INCOME		
Ground rent receivable	2,276	2,304
Insurance receivable	15,564	15,143
Management fee receivable	11,622	11,497
Sundry income, document fees etc	1,050	1,642
Interest received	834	327
	31,346	30,913
LESS: EXPENSES		\$
Block inspection costs	3,000 5,000	
Insurance	15,564 15,143	
Indemnity insurance	384 384	
Company secretarial fees	5,871 6,167	40
Directors' honorarium	- ***	
AGM and Directors meetings costs	584 286	
Legal costs – refunded	(350) 100	
Accountancy and assurance	2,542	
General expenses	~~ ~~~ 75	
Depreciation	<u>32</u> 32	
	<u>27,746</u>	<u>29,729</u>
CANDAL MG DAYE TO CHANGE BEING BEING	C 2 CO0	C 1 104
SURPLUS DUE TO SHAREHOLDERS	£ 3,600	£ 1,184
	Secrification ————	