

**DAY FLATS RESIDENTS LIMITED**  
**Company No. 1906698 (England and Wales)**

**DRAFT**  
**DIRECTORS REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST MARCH 2015**

**WARNEFORD GIBBS**  
**CHARTERED CERTIFIED ACCOUNTANTS**  
**RUISLIP, MIDDLESEX HA4 7AE**  
**DAY FLATS RESIDENTS LIMITED**

## COMPANY INFORMATION

<b>Directors</b>	W J Fisher R Houghton S Jelf V J Knowles V M Navarro (resigned 7 <sup>th</sup> July 2015) D J Sullivan R Sullivan
<b>Secretary</b>	A Bosi
<b>Company number</b>	01906698
<b>Registered office</b>	The Croft Wall Street London N1 3NB
<b>Accountants</b>	Warneford Gibbs College House 17 King Edwards Road Ruislip Middlesex HA4 7AE
<b>Bankers</b>	Unity Trust Bank Plc 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 2015.

**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 2014:-

W J Fisher  
R Houghton  
S Jelf  
V J Knowles  
D J Sullivan  
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.

On behalf of the Board on

..... **A BOSI - COMPANY SECRETARY**

THE CROFT  
WALL STREET  
LONDON  
N1 3NB

## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF DAY FLATS RESIDENTS LIMITED**

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

We have reviewed the financial statements of Day Flats Residents Limited for the year ended 31st March 2015 as set out on pages 5 to 7. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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. Our review has been undertaken so that we may state to the directors and the members those matters that we have agreed with them in our engagement letter 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.

### **Directors' Responsibilities**

As explained more fully in the Directors Responsibilities statement set out on page one, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### **Accountants' Responsibility**

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), *Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements*. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

### **Scope of the Assurance Review**

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquires of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

**INDEPENDENT ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF  
DAY FLATS RESIDENTS LIMITED (Continued)**

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

so as to give a true and fair view of the state of the company's affairs as at 31st March 2015, and of its results for the year then ended;

in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to Smaller Entities); and

in accordance with the requirements of the Companies Act 2006.

**WARNEFORD GIBBS**

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 2015**

	<b>Notes</b>	<b>2015</b>	<b>2014</b>
<b>TURNOVER</b>	1c	34,980	31,246
Administrative expenses		<u>31,205</u>	<u>27,746</u>
<b>OPERATING SURPLUS BEFORE TAXATION</b>	2	3,775	3,500
Taxation	3	—	—
<b>SURPLUS FOR THE YEAR</b>		3,775	3,500
<b>ACCUMULATED SURPLUS</b> brought forward		<u>66,748</u>	<u>63,248</u>
<b>ACCUMULATED SURPLUS</b> returnable to shareholders	6	£ 70,523 =====	£ 66,748 =====
<b>RESERVE FOR BLOCK SURVEYS</b>	6	£ 2,000 =====	£ 3,000 =====

**DAY FLATS RESIDENTS LIMITED**  
**BALANCE SHEET AT 31ST MARCH 2015**

	Notes	2015	2014
<b>FIXED ASSETS</b>			
Tangible assets	1e & 4	30,165	30,197
<b>CURRENT ASSETS</b>			
Debtors	5	26,728	27,935
Cash at bank		<u>61,975</u>	<u>60,806</u>
		88,703	88,741
<b>CREDITORS: amounts falling due</b>			
within one year	6	<u>87,495</u>	<u>87,567</u>
<b>NET CURRENT ASSETS</b>		<u>1,208</u>	<u>1,174</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		31,373	31,371
<b>CREDITORS: amounts falling due after</b>			
more than one year	7	<u>5,266</u>	<u>6,369</u>
<b>NET ASSETS</b>		£ 26,107	£ 25,002
		=====	=====
Represented by:			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	158	156
Share premium account	10	86,031	84,928
Revaluation reserve	9	<u>(60,082)</u>	<u>(60,082)</u>
<b>SHAREHOLDERS' FUNDS</b>	10	£ 26,107	£ 25,002
		=====	=====



**DAY FLATS RESIDENTS LIMITED**  
**BALANCE SHEET AT 31ST MARCH 2015 (continued)**

For the financial year ended 31st March 2015 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).

Signed on behalf of the board on

.....  
**V M NAVARRO - DIRECTOR**

**Company Registration Number 01906698**

**DAY FLATS RESIDENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

**1. ACCOUNTING POLICIES**

a) **Accounting convention**

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).

b) **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).

c) **Turnover**

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.

d) **Format of accounts**

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's activities 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.

e) **Tangible fixed assets and depreciation**

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.

f) **Revenue recognition**

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.

g) **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 2015**

**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.

<b>2. OPERATING SURPLUS</b>	<b>2015</b>	<b>2014</b>
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The operating surplus is stated after charging:	£	£
Directors' honorarium	-	-
	=====	=====

**3. TAXATION**

Corporation Tax	£ -	£ -
	=====	=====

**4. TANGIBLE ASSETS**

	Freehold Land	Office Equipment	Total
<b>COST OR VALUATION</b>	30,146	399	30,545
As at 1st April 2014			
Addition	-	-	-
Disposal	-	-	-
Revaluation (see note 9)	-	-	-
Cost or valuation at 31st March 2015	£30,146	£399	£30,545
	=====	=====	=====
<b>DEPRECIATION</b>			
At 1st April 2014	-	348	348
Depreciation for the year	-	32	32
At 31st March 2015	£ -	£380	£380
	=====	=====	=====
<b>NET BOOK VALUE</b>			
At 31st March 2015	£30,146	£19	£30,165
	=====	=====	=====
At 31st March 2014	£30,146	£51	£30,197
	=====	=====	=====

**DAY FLATS RESIDENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

<b>5. DEBTORS</b>	<b>2015</b>	<b>2014</b>
Other debtors	-	-
Prepayments and accrued income	367	366
Amounts due from tenants	<u>26,361</u>	<u>27,569</u>
	£ 26,728	£ 27,935
	=====	=====
<b>6. CREDITORS</b> - amounts falling due within one year		
Accumulated surplus returnable to shareholders	70,523	66,748
Reserve for block inspections	2,000	8,000
Amounts due to tenants	2,401	981
Corporation tax	-	-
Accruals and other creditors	<u>12,571</u>	<u>11,838</u>
	£ 87,495	£ 87,567
	=====	=====
<b>7. CREDITORS:</b> amounts falling due after more than one year		
Shareholders contributory loan	£ 5,266	£ 6,369
	=====	=====
<b>8. SHARE CAPITAL</b>		
Authorised		
200 Ordinary Shares of £1 each	£ 200	£ 200
	=====	=====
Called up, allotted and fully paid		
158 Ordinary Shares of £1 each	£ 158	£ 156
	=====	=====
Two ordinary shares were issued in the year.		
<b>9. REVALUATION RESERVE</b>		
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 2015**

<b>10. MOVEMENTS OF SHAREHOLDERS' FUNDS</b>	<b>Called Up Share Capital</b>	<b>Share Premium Account</b>	<b>Re- valuation Reserve</b>	<b>Total</b>
Balance at 1st April 2014	156	84,928	(60,082)	25,002
Share issue (see note 8)	<u>2</u>	<u>1,103</u>	<u>-</u>	<u>1,105</u>
Balance at 1st April 2015	£ 158	£ 86,031	£ (60,082)	£ 26,107
	====	=====	=====	=====

**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 2015**

	<b>2015</b>	<b>2014</b>
<b>INCOME</b>		
Ground rent receivable	2,276	2,276
Insurance receivable	16,681	15,564
Management fee receivable	11,710	11,622
Sundry income, document fees etc.	3,419	950
Interest received	<u>894</u>	<u>834</u>
	<b>34,980</b>	<b>31,246</b>
<b>LESS: EXPENSES</b>		
Block inspection costs	3,772	3,000
Insurance	16,681	15,564
Indemnity insurance	385	384
Company secretarial fees	7,764	5,871
Directors' honorarium	-	-
AGM and Directors meetings costs	352	584
Legal costs – refunded	-	(350)
Accountancy and assurance	2,624	2,586
General expenses	75	75
Depreciation	<u>32</u>	<u>32</u>
	<b>31,685</b>	<b>27,746</b>
Insurance claim (net of costs)	<u>(480)</u>	<u>-</u>
	<b>31,205</b>	<b>27,746</b>
<b>SURPLUS DUE TO SHAREHOLDERS</b>	<b>£ 3,775</b>	<b>£ 3,500</b>
	=====	=====

For management purposes only

**DAY FLATS RESIDENTS LIMITED**

**Company No. 1906698 (England and Wales)**

**DIRECTORS REPORT  
AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MARCH 2015**

## DAY FLATS RESIDENTS LIMITED

### Report on Freehold Value

Owing to the sale of Yonge Park directors are now aware that, owing to the creation of shareholders (partly) on larger leases with lower ground rent, the value of the freehold is somewhat below cost price.

The directors do not wish to pay for a full valuation and a method of calculation has been agreed as follows:

Total no of flats 176 of which 154 have taken new lease. The other 22 are considered to still be full value.

The directors also wish to take the same % of sale to cost as was obtained for Yonge Park.

Value is as follows:-

A) 154 flats	£
£ 94,752 (cost) x 600(sale)/1,704(cost) YP x 154/176 (flats) =	29,193
B) 22 flats	
£ 94,752 x 22/176 (flats)	<u>11,844</u>
Valuation	£ 41,037 =====

If any shares sold each year then,  $1/22 \times (£11,844 - £4,170)$  (value on YP basis) = £349 per share (£345 last one), will need to be transferred and written off.

This method can be amended if future sales are on a vastly different value.