

Discussion draft 17/05/10

NAVARRE LIMITED

REPORT AND ACCOUNTS

31 DECEMBER 2009

Company Number: 1562006

Payne & Co
Chartered Accountants
Registered Auditors
London

FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and the audited accounts for the year ended 31 December 2009. Principal Activity

The principal activity of the company during the year continued to be that of self-managing the East Hill Estate.

Directors

The directors who served during the year were as shown below:

J Reseigh
A Panton
V Thornton
D Reynolds
P Reynolds
J Fuller (appointed 5 October 2009)

Statement of disclosure of information to auditors

The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that:

So far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

They have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' Responsibility for the Accounts

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Principles (UK GAAP).

Company law requires the directors to prepare accounts 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 preparing those accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

NAVARRE LIMITED

DIRECTORS' REPORT (contd)

FOR THE YEAR ENDED 31 DECEMBER 2009

Directors' Responsibility for the Accounts (contd)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

Small Company Exemptions

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

By order of the Board

Bells Commercial Limited Secretary

xx May2010

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PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
TURNOVER	1c	198,744	222,765
Cost of sales		<u>(188,172)</u>	<u>(223,516)</u>
GROSS PROFIT/(LOSS)		10,572	(751)
Administrative expenses		(119)	(137.)
Other operating income		<u>5,118</u>	<u>4,306</u>
OPERATING PROFIT	2	15,571	3,418
Other interest receivable and similar income	3	<u>855</u>	<u>4,717</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		16,426	8,135
Tax on profit on ordinary activities	4	<u>(1,088)</u>	<u>(1,320)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION BEING PROFIT FOR THE FINANCIAL YEAR		15,338	6,815
Transfer to reserves	8	(2,500)	(2,500)
Service charges to be repaid	8	<u>(12,838)</u>	<u>(4,315)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR		-	-
BALANCE BROUGHT FORWARD		-	-
BALANCE CARRIED FORWARD		£ -	£ -

The notes on pages 7 to 9 form an integral part of these accounts.

NAVARRE LIMITED

BALANCE SHEET

AT 31 DECEMBER 2009

	Notes	£	2009	£	£	2008	£
FIXED ASSETS							
Tangible Assets	5			12,720			12,856
CURRENT ASSETS							
Debtors	6	47,484				75,731	
Cash at bank and in hand		63,750				68,680	
		-----				-----	
		111,234				144,411	
CREDITORS: amounts falling due within one year							
	7		58,510			94,323	
			-----			-----	
NET CURRENT ASSETS			52,724			50,088	
			-----			-----	
NET ASSETS			£65,444			£62,944	
			-----			-----	
			=====			=====	
CAPITAL AND RESERVES							
Called up share capital	8/9		444			444	
Profit & loss account	8		-			-	
Maintenance & building reserve	8		65,000			62,500	
			-----			-----	
SHAREHOLDERS' FUNDS			£65,444			£62,944	
			-----			-----	
			=====			=====	

The accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, were approved by the Board on xx May 2010 and signed on its behalf.

J Reseigh

Director

The notes on pages 7 to 9 form an integral part of these accounts

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NAVARRE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2009

STATEMENT OF ACCOUNTING POLICIES

a) Accounting Convention

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

b) Tangible Fixed Assets

Tangible fixed assets are recorded at cost.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Leasehold property	Period of the lease
Furniture & equipment	15% per annum on net book value

c) Turnover

Turnover derives wholly from the principle activity of the company.

2. OPERATING PROFIT	2009	2008
	£	£
Operating profit is stated after charging:		
Amortisation of leasehold property	130	130
Depreciation (owned assets)	67	7
Auditors' remuneration	<u>4,059</u>	<u>4,147</u>
3. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	2009	2008
	£	£
Bank interest	61	2,054
Interest on service charge	<u>794</u>	<u>2,663</u>
	<u>855</u>	<u>4,717</u>
4. TAX ON PROFIT ON ORDINARY ACTIVITIES	2009	2008
	£	£
Corporation tax on bank interest receivable and rental income for the year at the prevailing rate	<u>1,008</u>	<u>1,320</u>
	£ <u>1,008</u>	£ <u>1,320</u>

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2009

5. TANGIBLE ASSETS

	Leasehold Property £	Furniture and Equipment £	Total £
COST			
At 1 January 2009	14,504	819	15,323
Additions	-	-	-
	-----	-----	-----
At 31 December 2009	14,504	819	15,323
	-----	-----	-----
DEPRECIATION			
At 1 January 2009	1,690	777	2,467
Charge for the year	130	7	137
	-----	-----	-----
At 31 December 2009	1,820	783	2,603
	-----	-----	-----
NET BOOK VALUE			
At 31 December 2009	12,684	36	12,720
	=====	==	=====
At 31 December 2008	12,814	42	12,856
		==	=====
6. DEBTORS			
		2009	2008
		£	£
Service charges debtors		33,434	33,958
Other debtors and prepayments		14,050	41,773
		-----	-----
		£47,484	£ 75,731
		-----	-----
7. CREDITORS: Amounts falling due within one year			
		2009	2008
		£	£
Repayable to tenants		19,552	40,847
Corporation tax		1,128	1,360
Other creditors		14,713	12,293
Accruals and deferred income		23,117	39,823
		-----	-----
		£58,510	£94,323
		-----	-----

NAVARRE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2009

8. RECONCILIATION OF RESERVES	Called-up share capital	Maintenance & building reserve	Profit & loss account
	£	£	£
Balance at 1 January 2009	444	62,500	-
Surplus for the year	-	-	15,656
Service charges to be repaid	-	-	(13,156)
Transfer from profit & loss account	-	2,500	(2,500)
	-----	-----	-----
Balance at 31 December 2009	£444 =====	£65,000 =====	
9. SHARE CAPITAL		2009 £	2008 £
Authorised 10,000 £1 Ordinary Shares		10,000 =====	10,000 =====
Allotted, called up and fully paid 444 1 Ordinary Shares		444 ===	444 ===

10. COMMITMENTS

The company has entered into a deed of covenant with the Mayor and burgesses of the London Borough of Wandsworth to maintain the estate and to indemnify the London Borough of Wandsworth against all actions, proceedings, costs, claims and demand whatsoever in respect of any non-observance or non-performance of the covenant, and the costs, expenses and outgoings arising as a result of the council complying with its covenants.

11. NON-AUDIT SERVICES PROVIDED

In common with many other companies of our size and nature, we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the accounts.

12. AUTHORISATION FOR ISSUE

The accounts were authorised for issue on xx May 2010, by J Reseigh.

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009		2008	
	£	£	£	£
SERVICE CHARGES				
Charged		229,235		229,772
Timing differences (painting recharges)		(30,491)		(7,007)
		<u>198,744</u>		<u>222,765</u>
COST OF SALES				
Building insurance	17,535		17,525	
Buildings insurance refund				
Electricity hallways	9,921		11,493	
Repairs to flats & maisonettes including health and safety	45,604		37,796	
Cleaning	33,655		35,560	
Gardening	20,942		31,007	
Repairs to estate	3,834		5,605	
Painting	16,774		44,444	
Managing agents	30,276		30,935	
Estate office	2,805		4,008	
Audit & accountancy	4,059		4,147	
Public liability/health & safety	-		-	
Legal & professional costs	<u>2,767</u>		<u>996</u>	
		<u>188,172</u>		<u>223,516</u>
GROSS PROFIT/(LOSS)'		10,572		(751)
OTHER OPERATING INCOME				
Interest receivable	855		4,717	
Rental income	<u>5,118</u>		<u>4,306</u>	
		5,973		9,023
		16,545		8,272
LESS: ADMINISTRATIVE COSTS				
Bank interest & charges				
Sundry expenses	(17)			
Depreciation	<u>136</u>		<u>137</u>	
		119		137
SURPLUS FOR THE YEAR		<u>16,426</u>		<u>8,135</u>

This page does not form part of the statutory accounts.

NAVARRE LIMITED
 SERVICE COSTS ANALYSIS
 FOR THE YEAR ENDED 31 DECEMBER 2009

DIRECT INCOME & COSTS

	As charged service charges 51 & 52 £	Actual £	Surplus/ (Deficit) £
Building insurance	17,535	17,535	
Electricity hallways	10,000	9,921	79
Repairs to flats & maisonettes including health & safety	37,300	45,604	(8,304)
Gardening & cleaning	65,700	54,597	11,103
Managing agents	30,935	30,276	659
Estate costs including insurance	10,875	2,805	8,070
Audit & accountancy	6,000	4,059	1,941
Legal & professional	-	2,767	(2,767)
Repairs to estate/contingencies	1,125	3,834	(2,709)
Painting	47,265	16,774	30,491
Reserve fund	2,500	-	2,500
	-----	-----	-----
	229,235	188,172	41,063
OTHER COSTS & INCOME			
Painting costs receivable (timing differences)			(30,491)
Administration costs			(119)
Interest receivable			855
Rental income			5,118

			16,426
Corporation tax payable			(1,088)

			15,338
Transfer to maintenance and building reserve			(2,500)

Service charges to be repaid			£12,838
			=====

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