

**BROWNING MANAGEMENT COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**28TH FEBRUARY 2005**

**Registered Number  
4101667**

**ORMEROD RUTTER LIMITED**



**BROWNING MANAGEMENT COMPANY LIMITED**

**COMPANY INFORMATION**

<b>Company number:</b>	4101667
<b>Directors:</b>	Mr S G Byrne Mr J D Corstorphine Mr T K Quigley
<b>Secretary:</b>	Mr D P Fair
<b>Registered office:</b>	35 St Pauls Square Birmingham West Midlands B3 1QX
<b>Auditors:</b>	Ormerod Rutter Limited Registered Auditor The Oakley Kidderminster Road Droitwich Spa Worcestershire WR9 9AY
<b>Managed by:</b>	Mainstay Residential Limited Whittington Hall Whittington Road Worcester Worcestershire WR5 2ZX

**BROWNING MANAGEMENT COMPANY LIMITED**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

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**BROWNING MANAGEMENT COMPANY LIMITED**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

The directors present their report and the financial statements for the year ended 28th February 2005.

**Principal activities**

The company's principal activity during the year was that of a property service and management company.

**Directors**

The directors of the company during the year were as follows:

Mr S G Byrne  
Mr J D Corstorphine  
Mr T K Quigley

**Directors' interests**

The directors had no beneficial interests in the ordinary share capital of the company during the year.

The directors of the company and their interest in the holding company is disclosed within that company's financial statements.

**Responsibilities of the directors**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss 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 accounting 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 are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditor**

The auditor, Ormerod Rutter Limited, Registered Auditor, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

On behalf of the directors

Mr D P Fair  
(Company secretary)

Date

# INDEPENDENT AUDITOR'S REPORT

## TO THE SHAREHOLDERS OF BROWNING MANAGEMENT COMPANY LIMITED

### FOR THE YEAR ENDED 28TH FEBRUARY 2005

We have audited the financial statements on pages 3 to 7. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statements of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements under United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

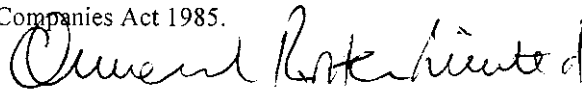
#### Basis of opinion

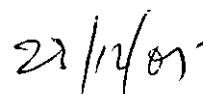
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 find reasonable assurance that the financial statements are free from material misstatements, 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 at 28th February 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.





Ormerod Rutter Limited  
Registered Auditor  
The Oakley  
Kidderminster Road  
Droitwich Spa  
Worcestershire  
WR9 9AY

Date

**BROWNING MANAGEMENT COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	Note	2005 £	2004 £
Turnover	2	263,793	96,690
Administrative expenses		(263,793)	(96,690)
Operating profit	3	-	-
Taxation on ordinary activities		-	-
Retained profit for the year		£ -	£ -

The company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard No. 3 during the year therefore turnover and operating profit derives entirely from continued operations.

The company has no recognised gains or losses other than the result for the financial year.

The annexed notes form part of these financial statements.

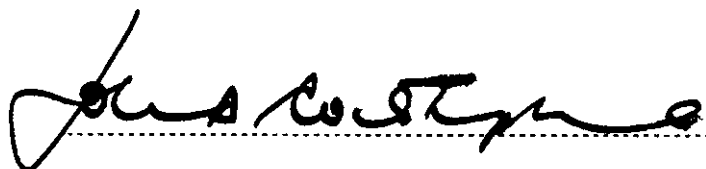
**BROWNING MANAGEMENT COMPANY LIMITED**

**BALANCE SHEET**

**AS AT 28TH FEBRUARY 2005**

	Note	2005		2004	
		£	£	£	£
<b>Current assets</b>					
Debtors	5	77,064		38,907	
Cash at bank and in hand		41,883		1,128	
		<hr/>		<hr/>	
		118,947		40,035	
<b>Current liabilities</b>					
Amounts falling due within one year	6	(73,712)		(27,344)	
		<hr/>		<hr/>	
<b>Net current assets</b>			45,235		12,691
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			45,235		12,691
			<hr/>		<hr/>
<b>Net assets</b>			£ 45,235		£ 12,691
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	7		1		1
Other reserves	8		45,234		12,690
			<hr/>		<hr/>
<b>Shareholders' funds</b>	10		£ 45,235		£ 12,691
			<hr/>		<hr/>

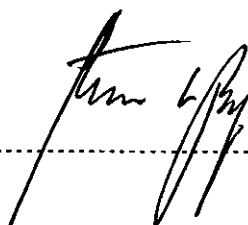
Approved by the board.



Mr J D Corstorphine  
(Director)

*21/12/05*

Date



Mr S G Byrne  
(Director)

*21/12/05*

Date

The annexed notes form part of these financial statements.

**BROWNING MANAGEMENT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**1. Accounting policies**

The financial statements are prepared under the historical cost convention and incorporate the profit of the principal activity which is described in the director's report and which is continuing.

Advantage has been taken of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 Paragraph 12(b) on the grounds that consolidated financial statements in which the company and group are made publicly available.

**Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

**Deferred taxation**

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation purposes, using the full provision method.

**2. Turnover**

Turnover represents the amounts derived from the provision of services which fall within the company's ordinary activities, stated net of value added tax.

**3. Operating profit**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Auditors' remuneration and expenses	1,122	759

**4. Staff costs**

The average number of persons employed by the company, including directors, during the year was as follows:

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Concierge	3	3

The aggregate payroll costs of this person was as follows:

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Wages, salaries and social security costs	62,674	39,523
	<b>£ 62,674</b>	<b>£ 39,523</b>

**BROWNING MANAGEMENT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**5. Debtors**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Due within one year:		
Trade debtors	44,504	9,381
Other debtors	9,613	21,350
Unpaid share capital	1	1
Prepayments and accrued income	22,946	8,175
	<u>£ 77,064</u>	<u>£ 38,907</u>

**6. Creditors - amounts falling due within one year**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Payments received on account	19	5,727
Trade creditors	20,529	6,334
Other creditors	133	-
Accruals and deferred income	53,031	15,283
	<u>£ 73,712</u>	<u>£ 27,344</u>

**7. Share capital**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
Ordinary shares of £1 each	111	111
	<u>£</u>	<u>£</u>
<b>Allotted, called up and unpaid</b>		
Ordinary shares of £1 each	1	1

**8. Other reserves**

	<b>2005</b>
	<b>£</b>
Balance as at 1st March 2004	12,690
Movement in the year	32,544
Balance as at 28th February 2005	<u>£ 45,234</u>

**BROWNING MANAGEMENT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**9. Reconciliation of movements in shareholders' funds**

	2005 £	2004 £
Transfer to reserves	32,544	12,690
Net addition to shareholders' funds	32,544	12,690
Opening shareholders' funds	12,691	1
Closing shareholders' funds	£ 45,235	£ 12,691

**10. Ultimate holding company**

The directors consider that the holding company is MCD Browning Limited, a company registered in England and Wales.