

Company's Registered Number: 05505563

**KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

**Report and financial statements  
for the year ended**

**31 DECEMBER 2009**

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# **KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

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**KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

**DIRECTORS AND ADVISERS**

**Directors**

D B A Davis  
R T Liddell  
S M Pratt  
G J Renucci  
A J Samuels

**Secretary**

London Registrars plc

**Registered office**

4<sup>th</sup> Floor  
Haines House  
21 John Street  
London  
WC1A 2BP

**Bankers**

HSBC Bank Plc  
City of London Branch  
60 Queen Victoria Street  
London  
EC4N 4TR

**Auditors**

Nexia Smith & Williamson  
Chartered Accountants  
25 Moorgate  
London EC2R 6AY

**Company's registered number**

05505563

# **KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the financial statements for the year ended 31 December 2009

### **Company's registered number**

The company's registered number is 05505563

### **Principal activities**

The principal activity of the company continues to be the management of the apartments and common areas at 199 Knightsbridge

### **Directors**

The directors of the company who served during the year are

P Banham	(resigned 8 July 2009)
D B A Davis	(appointed 27 February 2009)
R T Liddell	(appointed 27 February 2009)
S M Pratt	(appointed 9 November 2009)
R T J Rann	(resigned 8 July 2009)
G J Renucci	(appointed 27 February 2009)
A J Samuels	(appointed 27 January 2010)

### **Disclosure of information to the auditors**

In the case of each person who was a director at the time this report was approved

- so far as that director was aware there was no relevant available information of which the group's auditors were unaware, and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the group's auditors were aware of that information

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006

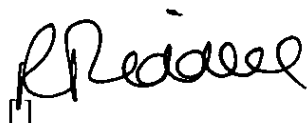
### **Auditors**

A resolution to re-appoint the auditors, Nexia Smith & Williamson, will be proposed at the next Annual General Meeting

The above report has been prepared in accordance with the special provision relating to small companies within Part 15 of the Companies Act 2006

Approved by the board of directors on 14 JULY

2010 and signed on behalf of the board



Director

(R. Liddell)

## **KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and 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 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 accounting estimates that are reasonable and prudent, and
- 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 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.

# Nexia Smith & Williamson

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED

We have audited the financial statements of Knightsbridge Residents Management Company Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP)

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of the company's results for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

*Nexia Smith & Williamson*

Andrew Bond  
Senior Statutory Auditor, for and on behalf of  
Nexia Smith & Williamson  
Statutory Auditor  
Chartered Accountants

25 Moorgate  
London  
EC2R 6AY

Date 17/8/10

# KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT for the year ended 31 DECEMBER 2009

	Notes	2009 £	Restated 2008 £
Turnover		5,072,876	4,753,742
Administrative expenses		(5,092,757)	(4,747,209)
<b>Operating (loss)/profit</b>		<b>(19,881)</b>	<b>6,533</b>
Interest receivable and similar income	2	25,210	-
Interest payable and similar charges	3	(35)	(6,488)
<b>Profit on ordinary activities before taxation</b>		<b>5,294</b>	<b>45</b>
Tax on profit on ordinary activities	5	(5,294)	-
<b>Profit for the financial year</b>	10	<b>-</b>	<b>45</b>

All of the company's operations are classed as continuing

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 DECEMBER 2009


	2009 £	Restated 2008 £
Profit for the financial year	-	45
<b>Total recognised gains and losses relating to the year</b>	<b>-</b>	<b>45</b>
Prior year adjustment (as explained in note 1)	(460,798)	
<b>Total gains and losses recognised since last annual report</b>	<b>(460,798)</b>	

**KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED****BALANCE SHEET as at 31 DECEMBER 2009**

	Notes	2009 £	Restated 2008 £
<b>Current assets</b>			
Debtors	6	1,083,526	1,218,415
Cash at bank and on hand		1,133,747	615,621
		<hr/>	<hr/>
		2,217,273	1,834,036
<b>Creditors:</b> amounts falling due within one year	7	(1,566,841)	(1,373,036)
Deferred income account	8	(650,231)	(460,798)
		<hr/>	<hr/>
<b>Net assets</b>		201	202
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	9	201	202
Profit and loss account	10	-	-
		<hr/>	<hr/>
		201	202
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the special provisions relating to small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the Board of Directors on 14 JULY 2010 and were signed on its behalf by

  
[ ]  
Director  
(R. Liddell)

Company's Registered Number 05505563



# **KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009**

### **1 Accounting policies**

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practices. A summary of the more important accounting policies adopted are described below

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements reflect all transactions with, for and on behalf of the apartment owners.

#### **Leases**

Rental costs under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

#### **Turnover**

Revenue is measured at the fair value of the right to consideration and represents amounts receivable for service charges in respect of apartments, car park spaces and storage areas and fees for the provision of additional services to residents. Turnover is receivable wholly within the United Kingdom.

Turnover is recognised in the periods to which it relates on an accruals basis.

#### **Taxation**

The company is a mutual trader. As a result the company is only taxed on bank and other interest.

#### **Deferred income account**

This represents funds collected from residents in accordance with the terms of their leases, for the funding of future maintenance costs. The funds are held on Trust and if they are not spent will be returned to residents, accordingly they are classified as a creditor.

#### **Prior year adjustment**

The deferred income account was previously disclosed as a 'sinking fund reserve' within capital and reserves and at each year end an amount was transferred from the profit and loss account into this reserve. In 2009 the policy was reviewed and it was decided that it is more appropriate to classify these monies as a creditor in accordance with the policy above and as such income for 2008 has been reduced by £23,776, being the amount transferred to the reserve during 2008, and brought forward net assets are reduced by £460,798 and thus are restated as £202 at 31 December 2008.

# KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

<b>2</b>	<b>Interest receivable and similar income</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Interest charged on service charge arrears	25,210	-
		<hr/>	<hr/>
<b>3</b>	<b>Interest payable and similar charges</b>	<b>£</b>	<b>£</b>
	Bank interest	35	6,426
	Other	-	62
		<hr/>	<hr/>
		35	6,488
		<hr/>	<hr/>
<b>4</b>	<b>Profit on ordinary activities before taxation is stated after charging</b>	<b>£</b>	<b>£</b>
	Operating lease rentals		
	- other	22,506	27,094
	Auditors' remuneration, including VAT, for		
	- audit	15,206	20,000
	- other services	588	-
		<hr/>	<hr/>
	Fees in respect of 2009 were due to the company's current auditors Nexia Smith & Williamson Fees in respect of 2008 were due to Dixon Wilson		
<b>5</b>	<b>Tax on profit on ordinary activities</b>	<b>£</b>	<b>£</b>
	UK corporation tax	5,294	-
		<hr/>	<hr/>
<b>6</b>	<b>Debtors</b>	<b>£</b>	<b>£</b>
	Trade debtors	409,904	421,293
	Amounts owed by group undertakings	-	101,501
	Other debtors	92,913	401,110
	Unpaid share capital	201	202
	Prepayments and accrued income	580,508	294,309
		<hr/>	<hr/>
		1,083,526	1,218,415
		<hr/>	<hr/>

# KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

<b>7</b>	<b>Creditors: amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Trade creditors	477,750	714,056
	Payments in advance	233,978	57,654
	Apartment owner deposits	561,548	389,144
	Corporation tax	5,294	-
	Accruals	288,271	212,182
		<hr/>	<hr/>
		1,566,841	1,373,036
		<hr/>	<hr/>
<b>8</b>	<b>Deferred income account</b>	<b>£</b>	<b>£</b>
	At 1 January 2009 (as restated, see note 1)	460,798	437,022
	Amounts received from residents in the year	189,433	23,776
		<hr/>	<hr/>
	At 31 December 2009	650,231	460,798
		<hr/>	<hr/>
<b>9</b>	<b>Share capital</b>	<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	1 ordinary A share of £1 each	1	1
	10,000 ordinary B shares of £1 each	10,000	10,000
		<hr/>	<hr/>
		10,001	10,001
		<hr/>	<hr/>
	<b>Allotted and called up</b>		
	1 ordinary A share of £1 each	-	1
	201 ordinary B shares of £1 each	201	201
		<hr/>	<hr/>
		201	202
		<hr/>	<hr/>

On 8 July 2009 the company redeemed the 1 ordinary A share for consideration of £1

# KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)

### 10 Reserves

	Profit and loss £
At 1 January 2009	-
Profit for the financial year	-
	<hr/>
At 31 December 2009	-
	<hr/>

### 11 Operating lease commitments

At 31 December 2009 the company had annual commitments under operating leases expiring as follows

	Other 2009 £	2008 £
Within one year	6,334	12,463
Between two and five years	3,553	19,815
	<hr/>	<hr/>
	9,887	32,278
	<hr/>	<hr/>

### 12 Ultimate controlling party

The Company was controlled by 199 Knightsbridge Investment Limited until it relinquished the 1 ordinary A share on 8 July 2009. As at 31 December 2009, there is no ultimate controlling party.

## **KNIGHTSBRIDGE RESIDENTS MANAGEMENT COMPANY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 DECEMBER 2009 (continued)**

#### **13 Related party transactions**

During the year the company charged £104,577 (2008 £53,809) to 199 Knightsbridge Investment Limited for its share of the service charge allocated to any unsold apartments, storage and parking spaces £19,131 (2008 £53,809) of this balance was outstanding at the year end

During the year the company charged £nil (2008 £66,539) to 199 Knightsbridge Development Limited for its share of the service charge allocated to any unsold apartments, storage and parking spaces £nil (2008 £nil) of this balance was outstanding at the year end

A balance of £74,670 (2008 £47,692) was owed by 199 Knightsbridge Development Limited at the year end for expenses paid by the company that were subsequently agreed to be recoverable from 199 Knightsbridge Development Limited

The holders of the company's B class shares all own apartments at 199 Knightsbridge and were charged £4,358,649 (2008 £4,131,820) in the form of service charges by the company during the year. At the year end there were balances owed by the apartment owners of £316,103 (2008 £421,293) to the company. The company also held £561,548 (2008 £389,144) of tenant deposits on behalf of the apartment owners which are shown separately under creditors. Deferred income shown in note 8 is also held for the future benefit of apartment owners