

# **Heronbridge Close Freehold Company Ltd**

Report of the Directors and unaudited Financial Statements for the year ended

31 December 2020  
Company No 10152078

# **Heronbridge Close Freehold Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2020**

## **INDEX**

### **PAGE**

1	REPORT OF THE DIRECTORS
2	INCOME STATEMENT
3	BALANCING STATEMENT
4 - 6	NOTES TO THE FINANCIAL STATEMENTS

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2020**

The directors submit their report together with the financial statements for the year ended 31st December 2020.

**PRINCIPAL ACTIVITIES**

The principal activity of the company is to own the freehold and maintain and administer land and buildings at Heronbridge Close, Westlea, Swindon.

**BUSINESS REVIEW**

The company purchased the freehold of 1-24 Heronbridge Close, Swindon in 2018. The cost was funded by advance payments received from leaseholders who have extended their leases to 999 years together with loans received to cover the cost of the freehold interests of the non-participating leaseholders.

On 1 January 2020 the company assumed management responsibilities for the site that were previously undertaken by Heronbridge Close RTM Company Ltd. Service charge reserves held by Heronbridge Close RTM Company Ltd as at 31 December 2020 were transferred to the company during the year.

**AUDIT**

The company has taken advantage of The Companies Act 2006 (Audit Exemptions) Section 477.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Robert John Baker

Diana Alice Morris

John Robert Morris

BY ORDER OF THE BOARD

John R Morris FCMA CGMA MIRPM

Director

26 January 2021

**Registered Office:**

15 Windsor Road

Swindon

SN3 1JP

Registered in England No 10152078

[www.heronbridgeclose.co.uk](http://www.heronbridgeclose.co.uk)

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**

Registered Number 10152078

**Income Statement**

For the year ended 31 December 2020

		2020	2019
	Notes	£	£
<b>TURNOVER</b>	3	8,280	375
Administrative expenses	14	(7,941)	(375)
<b>OPERATING SURPLUS</b>		<b>339</b>	-
Interest receivable and similar income	9	289	-
<b>RETAINED SURPLUS FOR THE YEAR</b>		<b>628</b>	-

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**  
Registered Number 10152078

<b>Balancing Statement as at 31 December 2020</b>		<b>31st December 2020</b>		<b>31st December 2019</b>	
	Notes	£	£	£	£
Freehold land and buildings	8		35,120		210,716
<b>CURRENT ASSETS</b>					
Cash at Bank		45,532		7,322	
Debtors	4	643		1	
		46,175		7,323	
<b>CREDITORS</b>					
Amounts falling due within one year	5	(9,440)		(182,899)	
<b>NET CURRENT LIABILITIES</b>			36,735		(175,576)
<b>CREDITORS</b>					
Amounts falling due over one year	6		(35,120)		(35,120)
<b>TOTAL ASSETS LESS LIABILITIES</b>			<b><u>36,735</u></b>		<b><u>20</u></b>
<b>RESERVES</b>					
Share capital	2		20		20
Service charge reserves	11		240		-
			260		20
Service charge reserves	10		36,475		-
<b>TOTAL</b>			<b><u>36,735</u></b>		<b><u>20</u></b>

a. For the year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

c. The directors acknowledge their responsibility for:

- ensuring the company keeps accounting records which comply with Section 386; and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the directors on 26 January 2021 and signed on their behalf by:



Diana A Morris - director

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**

Registered Number 10152078

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with provisions applicable to companies subject to the small companies' regime

**2 STATUTORY INFORMATION**

Heronbridge Close Freehold Company Ltd is a private company, limited by ordinary £1 shares, registered in England and Wales. The company's registered number and registered office address can be found on the Directors' Report page.

**3 TURNOVER**

Turnover represents the amounts derived from the provision of services during the year, exclusive of value added tax.

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Ground rent	240	375
Service charges	8,040	-
<b>Total</b>	<b>8,280</b>	<b>375</b>

**4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Trade debtors - <i>outstanding service charges*</i>	490	-
Payments in advance ( <i>prepaid insurance cover</i> )	153	-
Other debtors	-	1
<b>Total</b>	<b>643</b>	<b>1</b>

\* *No 13; £490.*

**5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Loans received from shareholders	-	175,596
Other creditors - <i>service charges received in advance</i>	7,193	6,941
Accrued expenses	2,247	362
<b>Total</b>	<b>9,440</b>	<b>182,899</b>

**6 CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR**

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Loans received from shareholders	35,120	35,120

**7 RELATED PARTY DISCLOSURES**

During the year Accounting Services Ltd, of which John Morris and Diana Morris are directors charged accountancy fees to the company of £720 (2019: £360).

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**  
**Registered Number 10152078**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020**

<b>8 FIXED ASSETS</b>	<b>31.12.20</b>	<b>31.12.19</b>
Freehold cost	£ 210,716	£ 210,716
Less: lease extensions granted	(175,596)	-
Freehold value at year end		<b>35,120</b>
		<b>210,716</b>

The freehold purchase was financed as follows:

	No of flats	each	Total
Loans received from shareholders:		£	£
Advance receipts for lease extensions as at 31 December 2020	20	8,780	175,596
Loans to pay for the freehold interest non-participators	4	8,780	35,120
	24	8,780	<b>210,716</b>

The lease extension costs of £8,780 each are valued by taking the freehold cost of £210,716 divided by 24.

The 20 shareholders have purchased 999 year leases at a cost of £8,780 each plus costs. The loans totalling £35,120 will be repaid to participating leaseholders by the company from the proceeds of future lease extensions granted to the remaining four leaseholders.

*The following notes do not form part of the statutory accounts:*

<b>9 INTEREST RECEIVABLE</b>	<b>31.12.20</b>	<b>31.12.19</b>
Bank interest receivable	£ 289	-

<b>10 SERVICE CHARGE RESERVES</b>	Block 1 - 6 £	Block 7 - 13 £	Block 13 - 18 £	Block 19 - 24 £	<b>31.12.20</b>
					Total £
Received from Heronbridge Close RTM Company Ltd	10,219	10,219	5,430	10,219	36,087
Additional income for block 13-18 (note 3)	-	-	2,400	-	2,400
Remaining deficit for year at 25% per block	(503)	(503)	(503)	(503)	(2,012)
Total operating surplus (note 14)	(503)	(503)	1,897	(503)	388
As at 31 December 2020	<b>9,716</b>	<b>9,716</b>	<b>7,327</b>	<b>9,716</b>	<b>36,475</b>

**11 GENERAL RESERVES**

	£
Opening Reserves	-
Transfer to reserve (note 14)	240
<b>Closing reserves at year end</b>	<b>240</b>

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**  
**Registered Number 10152078**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020**

<b><u>12 Reconciliation of operating surplus to operating cash flows</u></b>	<b><u>31.12.20</u></b>	<b><u>31.12.19</u></b>
	£	£
Operating surplus (note 14)	339	-
(Increase)/decrease in debtors (note 4)	(642)	297
(Decrease)/increase in operating creditors (note 5)	(173,459)	7,024
Net cash (outflow)/inflow from operating activities	<b><u>(173,762)</u></b>	<b><u>7,321</u></b>

<b><u>13 Analysis of changes in cash during the year.</u></b>	<b><u>31.12.20</u></b>	<b><u>31.12.19</u></b>
	£	£
Balance brought forward	7,322	-
Service charge reserves transferred from Heronbridge RTM Company Ltd	36,087	-
Lease extensions granted	175,596	-
Shares issued	-	1
Interest received (note 9)	289	-
Net cash inflow from operating activities (note 12)	<b><u>(173,762)</u></b>	<b><u>7,321</u></b>
Balance at year-end	<b><u>45,532</u></b>	<b><u>7,322</u></b>

**14 Detailed Income and Expenditure**

	<b><u>31.12.20</u></b>	<b><u>31.12.20</u></b>	<b><u>31.12.20</u></b>	<b><u>31.12.19</u></b>	<b><u>31.12.19 **</u></b>	<b><u>31.12.19 **</u></b>
	Ground Rent	Service Charge	Total	Ground Rent	Service Charge	Total
	£	£	£	£	£	£
Total income (note 3)	240	8,040	<b><u>8,280</u></b>	375	8,220	<b><u>8,595</u></b>
Maintenance - building	-	(456)	<b><u>(456)</u></b>	-	(1,743)	<b><u>(1,743)</u></b>
Maintenance - communal TV	-	(65)	<b><u>(65)</u></b>	-	-	<b><u>-</u></b>
Communal electricity	-	(238)	<b><u>(238)</u></b>	-	(183)	<b><u>(183)</u></b>
Gardening	-	(1,789)	<b><u>(1,789)</u></b>	-	(1,854)	<b><u>(1,854)</u></b>
Management fees	-	(2,860)	<b><u>(2,860)</u></b>	-	(2,740)	<b><u>(2,740)</u></b>
Accounting	-	(720)	<b><u>(720)</u></b>	(360)	(660)	<b><u>(1,020)</u></b>
Insurance	-	(1,783)	<b><u>(1,783)</u></b>	-	(1,529)	<b><u>(1,529)</u></b>
Sundries (inc postage)	-	(17)	<b><u>(17)</u></b>	(2)	(42)	<b><u>(44)</u></b>
Companies House fee	-	(13)	<b><u>(13)</u></b>	(13)	(13)	<b><u>(26)</u></b>
	-	(7,941)	<b><u>(7,941)</u></b>	(375)	(8,764)	<b><u>(9,139)</u></b>
Operating surplus	240	99	<b><u>339</u></b>	-	(544)	<b><u>(544)</u></b>
Interest receivable (note 9)	-	289	<b><u>289</u></b>	-	388	<b><u>388</u></b>
Net surplus/(deficit)	<b><u>240</u></b>	<b><u>388</u></b>	<b><u>628</u></b>	-	<b><u>(156)</u></b>	<b><u>(156)</u></b>

\*\* The service charge transactions for the year to 31 December 2020 took place through Heronbridge Close RTM Company Ltd and are shown above for comparative purposes only.