

# **Heronbridge Close RTM Company Ltd**

Financial Statements for the year ended

31 December 2011

Company limited by guarantee No 05494732

# **Heronbridge Close RTM Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

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**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2011**

The Directors submit their report together with the financial statements for the year ended 31st December 2011.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

**Principal activities**

The principal activity of the company is to manage, maintain and administer land and buildings at Heronbridge Close, Westlea, Swindon. The company is a "Right To Manage" (RTM) company operating under the standard RTM terms of Memorandum and Articles of Association as determined by the Commonhold and Leasehold Reform Act 2002.

**Business review**

The Right to Manage was acquired on the following dates; numbers 1-6 and 19-24 Heronbridge Close from 1 February 2006 and numbers 7-12 from 25 December 2008.

The service charge for the year to 31 December 2011 was £495 per property (2010 £480) payable in ten monthly instalments of £49.50 (2010 £48) or £435 (2010 £420) if paid in full in advance if no arrears are brought forward.

During the year the uneven pedestrian paving was levelled around block 7-12. The other two blocks having had their paving levelled in 2007 (before block 7-12 joined in the Right To Manage.) The grounds of the three RTM blocks are maintained to a good standard by a gardener by common consent. The condition of the three blocks has improved considerably since the Right To Manage was exercised.

The directors provide their services to the company and leaseholders on an unpaid basis other than for the professional costs to prepare these statutory accounts for which a fee of £220 (2010 - £147) has been paid. During the year they donated to the company the fees they received of £200 (2010 £200) for administering lease assignments.

**AUDIT**

The company has taken advantage of The Companies Act 2006 (Audit Exemptions) Section 477(2).

**DIVIDENDS**

The Articles of the company do not permit the payment of dividends.

**RESERVES**

The retained profit for the year taken to reserves was £5,027 (2010 - £4,660). This has been retained to meet future maintenance costs in particular the expense of rebuilding the site walls and roof repairs.

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2011**

**COMMONHOLD AND LEASEHOLD REFORM ACT 2002**

Sections 152 and 156 of the Commonhold and Leasehold Reform Act were expected to commence during 2009 but have yet to be enacted. Items that these sections are likely to require include:

*That as all transactions currently shown in the company relate to service charges these cease to be shown in the accounts of the Company. This is because funds held by the Company are held in trust on behalf of tenants (leaseholders).*

*An Income and Expenditure Report and Balancing Statement be produced within six months of a year end.*

Clear guidance has not yet been issued on the new format to be adopted. Therefore the directors have prepared these accounts on the same basis as previous years in order to maintain consistency. An Expenditure Report and Balancing Statement in a format expected to be agreed is shown on page 8.

**DIRECTORS**

The directors who served during the year were:

Diana A Morris MGLM  
John R Morris FCMA CGMA AIRPM

**BY ORDER OF THE BOARD**



Diana A Morris MGLM  
Director  
1 January 2012

**Registered Office:**

15 Windsor Road  
Swindon  
SN3 1JP

## HERONBRIDGE CLOSE RTM COMPANY LTD

<b>Profit and Loss Account</b> <b>For the year ended 31 December :-</b>	<b>2011</b>	<b>2010</b>			
			<b>Note</b>	<b>£</b>	<b>£</b>
Turnover from continuing operations	2	8,690			8,360
Operating charges	10	(3,722)			(3,792)
<b>Operating profit from continuing operations</b>		<b>4,968</b>			<b>4,568</b>
Interest receivable	6	59			92
<b>Retained profit transferred to reserves</b>	7	<b>5,027</b>			<b>4,660</b>

There are no recognised gains or losses other than the profits for the years, as shown above and therefore, no separate statement of recognised gains and losses has been presented.

There is no material difference between the company results as reported and on an unmodified historical cost basis.

Accordingly, no note of historical cost profits and losses has been included.

**HERONBRIDGE CLOSE RTM COMPANY LTD**

<b>Balance Sheet as at:-</b>	Note	<b>31st December 2011</b>		<b>31st December 2010</b>	
		£	£	£	£
<b>Current Assets</b>					
Cash at Bank		16,401		13,947	
Debtors	3	377		162	
		16,778		14,109	
<b>Creditors : Amounts falling due within one year</b>					
	4	(1,211)		(3,569)	
Net Current Assets			15,567		10,540
Total Assets Less Current Liabilities			<b>15,567</b>		<b>10,540</b>
<b>Reserves</b>					
Profit and Loss Reserves	7		15,567		10,540
<b>Leaseholders' Funds held in trust</b>					
			<b>15,567</b>		<b>10,540</b>

a. For the year ending 31 December 2011 the company was entitled to exemption under section 477(2) 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.

Diana A Morris

*Diana Morris*

Director

## HERONBRIDGE CLOSE RTM COMPANY LTD

<b>Cash flow statement</b>	Note	<b>2011</b>	<b>2010</b>
		£	£
Net cash inflow from operating activities	8	2,395	583
<b>Returns on investments and servicing of finance</b>			
Interest received	6	59	92
Increase in cash		2,454	675

## **HERONBRIDGE CLOSE RTM COMPANY LTD**

## **NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2011**

## **1 ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's financial statements.

### **(a) Basis of Preparation**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost accounting convention.

## 2 TURNOVER

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

	<u>2011</u>	<u>2010</u>
	£	£
Service Charges	7,830	7,560
Instalment fees and late payment charges	660	600
Lease assignment and enquiry fees	200	200
	<b>8,690</b>	<b>8,360</b>

### 3 DEBTORS

<b><u>DEBTORS</u></b>	<b>2011</b>	<b>2010</b>
	£	£
Trade Debtors (outstanding Service Charges)*	307	96
Payments in advance (part of next year's insurance premium)	70	66
	<b>377</b>	<b>162</b>

\* Flat 1 £60, Flat 6, £247.

#### **4 CREDITORS: Amounts falling due within one year**

<b><u>CREDITORS: Amounts falling due within one year</u></b>	<b>2011</b>	<b>2010</b>
	£	£
Accrued expenses (costs not yet paid)	1,082	862
Service Charges received from leaseholders in advance	129	2,707
	<b>1,211</b>	<b>3,569</b>

## 5 CONTROL

No one person controls the company.

## 6 INTEREST RECEIVABLE

<b><u>INTEREST RECEIVABLE</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
	£	£
Bank Interest	59	92

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2011**

**7 RECONCILIATION OF PROFIT AND LOSS RESERVES**

	Total
	£
As at 1st January 2011	10,540
Retained profit for the financial year	<u>5,027</u>
As at 31st December 2011	<u><u>15,567</u></u>

**8. - 9.**

**NOTES TO THE CASH FLOW STATEMENT**

***8 Reconciliation of operating profit to operating cash flows***

	<b>2011</b>	<b>2010</b>
	£	£
Operating profit	4,968	4,568
Increase in debtors (note 3)	(215)	(99)
Decrease in operating creditors (note 4)	(2,358)	(3,886)
Net cash inflow from operating activities	<u>2,395</u>	<u>583</u>

***9 Analysis of changes in cash during the year.***

	<b>2011</b>	<b>2010</b>
	£	£
Balance brought forward	13,947	13,272
Net cash inflow	2,454	675
Balance at year-end	<u>16,401</u>	<u>13,947</u>

*Notes 10 and 11 do not form part of the statutory accounts*

**10 Detailed Profit & Loss**

	<b>2011</b>	<b>2010</b>
	£	£
Total Income (note 2)	8,690	8,360
Site Maintenance - paving	(1,400)	0
Communal TV aerial upgrade	0	(950)
Building maintenance	0	(235)
Gardening	(1,224)	(1,224)
Fencing staining/renewal	0	(432)
Accountancy	(220)	(147)
Insurance	(823)	(769)
Postage, stationery and website	(41)	(20)
Companies House fee	(14)	(15)
	<u>(3,722)</u>	<u>(3,792)</u>
Operating profit	4,968	4,568
Add Interest received (note 6)	59	92
To General Reserves	<u><u>5,027</u></u>	<u><u>4,660</u></u>

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2011**

**11 Income and Expenditure Account**

*- as may soon be required by the Commonhold and Leasehold Reform Act 2002*

**Income:**

	<b>2011</b>	<b>2010</b>
	£	£
<b>Service Charges receivable from tenants</b>		
Service Charges	7,830	7,560
Additional income	660	600
<b>Total</b>	<b>8,490</b>	<b>8,160</b>
Interest (net of tax)	59	92
Other Income: - lease transfer fees	200	0
<b>Total Income</b>	<b>8,749</b>	<b>8,252</b>

**Expenditure:**

<b>Repairs and Maintenance</b> (including 2010 - Communal TV system £950)	0	1,185
<b>Grounds Maintenance</b>		
Gardening - all areas	1,224	1,224
Site Maintenance - paving	1,400	
Site Maintenance - fencing renewal	0	432
	<b>2,624</b>	<b>1,656</b>
<b>Professional Fees</b>		
Landlord's Management Fees	-	-
Accountancy fees	220	147
Accountancy Section 21 report	-	-
	<b>220</b>	<b>147</b>
<b>Insurance</b>		
	823	769
<b>General Expenses</b>		
Postage stationery and website	41	20
Companies House Fees	14	15
	<b>55</b>	<b>35</b>
<b>Total Expenditure</b>	<b>3,722</b>	<b>3,792</b>
Surplus at end of accounting period	5,027	4,460
<b>Surplus Transferred to Reserves</b>	<b>5,027</b>	<b>4,460</b>

**Balancing Statement**

	<b>2011</b>	<b>2010</b>
	£	£
<b>Assets</b>		
Sums paid in this period but relating to a subsequent period	70	66
Service Charges due from leaseholders	307	0
Cash at bank	16,401	13,947
	<b>16,778</b>	<b>14,013</b>
<b>Liabilities</b>		
Service Charges received from leaseholders in advance	(129)	(2,707)
Costs relating to this or previous period but not yet paid	(1,082)	(862)
<b>Current Liabilities</b>	<b>(1,211)</b>	<b>(3,569)</b>
<b>Net Assets</b>	<b>15,567</b>	<b>10,444</b>
<b>Reserve Fund</b>	<b>15,567</b>	<b>10,444</b>