

# **Heronbridge Close RTM Company Ltd**

Financial Statements for the year ended

31 December 2013

Company limited by guarantee No 05494732

# **Heronbridge Close RTM Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2013**

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**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2013**

The Directors submit their report together with the financial statements for the year ended 31st December 2013.

**PRINCIPAL ACTIVITIES**

Right To Manage Company

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 2013 was £525 per property (2012: £495) payable in ten monthly instalments of £52.50 (2012: £49.50) or £465 (2012: £435) if paid in full in advance if no arrears are brought forward.

During the year repairs were made to the communal TV system. The company oversaw an ongoing insurance claim following damage caused by a vehicle driven into one of the properties and has appointed a contractor to make repairs early in the new year.

The service charge for the year to 31 December 2014 is £525 per property (2013: £525) payable in ten monthly instalments of £52.50 (2013: £52.50) or £465 (2013: £465) if paid in full in advance if no arrears are brought forward. The directors are pleased to note that there were no Service Charge arrears as at the end of the year.

**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 surplus for the year taken to reserves was £4,109 (2012: £3,387). This has been retained to meet future maintenance costs in particular the expense of rebuilding the boundary walls.

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2013**

**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 shown below have held office during the whole of the period from 1 January 2013 to the date of this report.

Diana A Morris  
John R Morris FCMA CGMA AIRPM

**BY ORDER OF THE BOARD**



Diana A Morris  
Director  
1 January 2014

Registered Office:  
15 Windsor Road  
Swindon  
SN3 1JP

## HERONBRIDGE CLOSE RTM COMPANY LTD


Profit and Loss Account For the year ended 31 December :-		2013	2012
	Notes	£	£
<b>TURNOVER</b>	2	8,910	8,550
Administrative expenses	10	(4,855)	(5,175)
<b>OPERATING SURPLUS</b>		<b>4,055</b>	<b>3,375</b>
Interest receivable and similar income	6	46	12
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR</b>	7	<b>4,101</b>	<b>3,387</b>

# HERONBRIDGE CLOSE RTM COMPANY LTD

Balance Sheet as at:-	Notes	31st December 2013		31st December 2012	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Cash at Bank		28,177		24,707	
Debtors	3	502		194	
		28,679		24,901	
<b>CREDITORS</b>					
Amounts falling due within one year	4	(5,624)		(5,947)	
<b>NET CURRENT ASSETS</b>			23,055		18,954
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>23,055</b>		<b>18,954</b>
<b>RESERVES</b>					
Service charge reserves	7		23,055		18,954
<b>Leaseholders' Funds</b>			<b>23,055</b>		<b>18,954</b>

- a. For the year ending 31 December 2013 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



Director

The financial statements were approved by the board of directors on 1 January 2014.

## HERONBRIDGE CLOSE RTM COMPANY LTD

Cash flow statement	Note	2013	2012
		£	£
Net cash inflow from operating activities	8	3,424	8,294
<b>Returns on investments and servicing of finance</b>			
Interest received	6	46	12
Increase in cash		3,470	8,306

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2013**

**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>31.12.13</u>	<u>31.12.12</u>
	£	£
Service Charges	8,370	7,830
Instalment fees and late payment charges	540	480
Lease assignment and enquiry fees	0	240
	<u>8,910</u>	<u>8,550</u>

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

	<u>31.12.13</u>	<u>31.12.12</u>
	£	£
Trade Debtors ( <i>outstanding Service Charges</i> )	0	120
Other Debtors ( <i>emergency repair costs recoverable as insurance claim</i> )	425	0
Payments in advance ( <i>prepaid insurance cover</i> )	77	74
	<u>502</u>	<u>194</u>

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

	<u>31.12.13</u>	<u>31.12.12</u>
	£	£
Accrued expenses (costs not yet paid)	1,438	2,692
Service Charges received from leaseholders in advance	4,186	3,255
	<u>5,624</u>	<u>5,947</u>

**5 TRANSACTIONS WITH DIRECTORS**

During the year John and Diana Morris were employed by the company and each paid £880 (2012: £Nil) as a Management Fee. Accounting Services Ltd a company owned by the directors was paid £302 (2012: £250) in accountancy fees. These amounts are included as part of the relevant costs in the Income and Expenditure account.

**6 INTEREST RECEIVABLE**

	<u>31.12.13</u>	<u>31.12.12</u>
	£	£
Bank Interest (net of tax)	46	12

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2013**

**7 SERVICE CHARGE RESERVES**

	Profit and loss reserve £
As at 1st January 2013	18,954
Profit for the year	4,101
As at 31st December 2013	<u>23,055</u>

**8. - 9. NOTES TO THE CASH FLOW STATEMENT**

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

	<u>31.12.13</u>	<u>31.12.12</u>
	£	£
Operating surplus	4,055	3,375
(Increase)/decrease in debtors (note 3)	(308)	183
(Decrease)/increase in operating creditors (note 4)	(323)	4,736
Net cash inflow from operating activities	<u>3,424</u>	<u>8,294</u>

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

	<u>31.12.13</u>	<u>31.12.12</u>
	£	£
Balance brought forward	24,707	16,401
Net cash inflow	3,470	8,306
Balance at year-end	<u>28,177</u>	<u>24,707</u>

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

**10 Detailed Profit & Loss**

	<u>31.12.13</u>	<u>31.12.12</u>
	£	£
Total Income (note 2)	8,910	8,550
TV reception	(594)	0
Car park maintenance	0	(550)
Building maintenance	0	(1,936)
Gardening	(1,224)	(1,514)
Management fees	(1,760)	0
Accountancy	(302)	(250)
Insurance	(906)	(864)
Postage, stationery and website	(56)	(47)
Companies House fee	(13)	(14)
	<u>(4,855)</u>	<u>(5,175)</u>
Operating surplus	4,055	3,375
Add Interest received (note 6)	46	12
To General Reserves	<u>4,101</u>	<u>3,387</u>

**HERONBRIDGE CLOSE RTM COMPANY LTD**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2013**

**11 Income and Expenditure Account**

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

**Income:**

	<b><u>31.12.13</u></b>	<b><u>31.12.12</u></b>
	£	£
<b>Service Charges receivable from tenants</b>		
Service Charges	8,370	7,830
Additional income	540	480
<b>Total</b>	<b>8,910</b>	<b>8,310</b>
Interest (net of tax)	46	12
Other Income: - lease transfer fees	0	240
<b>Total Income</b>	<b>8,956</b>	<b>8,562</b>

**Expenditure:**

**Repairs and Maintenance**

594 2,486

**Grounds Maintenance**

Gardening - all areas

1,224 1,514

**Professional Fees**

Management Fees

1,760 0

Accountancy fees

302 250

2,062 250

**Insurance**

906 864

**General Expenses**

Postage stationery and website

56 47

Companies House Fees

13 14

69 61

**Total Expenditure**

4,855 5,175

Surplus at end of accounting period

4,101 3,387

**Surplus Transferred to Reserves**

4,101 3,387

**Balancing Statement**

**Assets**

Sums paid in this period but relating to a subsequent period

77 74

Service Charges due from leaseholders

0 120

Other debtors

425 0

Cash at bank

28,177 24,707

28,679 24,901

**Liabilities**

Service Charges received from leaseholders in advance

(4,186) (3,255)

Costs relating to this or previous period but not yet paid

(1,438) (2,692)

**Current Liabilities**

(5,624) (5,947)

**Net Assets**

23,055 18,954

**Reserve Fund**

23,055 18,954