

# **Heronbridge Close RTM Company Ltd**

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

31 December 2016  
Company limited by guarantee No 05494732

# **Heronbridge Close RTM Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2016**

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**HERONBRIDGE CLOSE RTM COMPANY LTD**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2016**

The Directors submit their report together with the financial statements for the year ended 31st December 2016.

**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 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; block 1-6 and 19-24 Heronbridge Close from 1 February 2006, block 7-12 from 25 December 2008 and block 13-18 from 1 July 2014. This is therefore, the second year that the whole site has been managed by the company.

The service charge for the year to 31 December 2016 was £555 per property (2015: £540) payable in ten monthly instalments of £55.50 (2014: £54.00) or £495 (2015: £4805) if paid in full in advance. The directors are pleased to note that there were only £5 (2015: £nil) of Service Charge arrears as at the end of the year.

In the year maintenance work undertaken included repairs to boundary fences.

It was agreed by leaseholders that the service charge reserves for block 13-18 will be accounted for separately from the reserves for the other blocks until the funds per block are equalised.

**AUDIT**

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

**SERVICE CHARGE ACCOUNTS**

The directors have produced the statutory accounts for the year on a consistent basis to show the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to the members.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

Diana A Morris  
John R Morris FCMA CGMA MIRPM

BY ORDER OF THE BOARD



Diana A Morris  
Director  
1 February 2017

Registered Office:  
15 Windsor Road  
Swindon  
SN3 1JP

**HERONBRIDGE CLOSE RTM COMPANY LTD**

Registered Number 05494732

**Income Statement**

For the year ended 31 December 2016

		<b>2016</b>	<b>2015</b>
	Notes	£	£
<b>TURNOVER</b>	2	12,567	12,180
Administrative expenses	11	(7,547)	(8,920)
<b>OPERATING SURPLUS</b>		<b>5,020</b>	<b>3,260</b>
Interest receivable and similar income	7	338	289
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR</b>	8	<b>5,358</b>	<b>3,549</b>

**HERONBRIDGE CLOSE RTM COMPANY LTD**

Registered Number 05494732

<b>Balancing Statement as at 31 December 2016</b>		<b>31st December 2016</b>		<b>31st December 2015</b>	
	Notes	£	£	£	£
<b>CURRENT ASSETS</b>					
Cash at Bank		41,876		38,016	
Debtors	4	110		123	
		41,986		38,139	
<b>CREDITORS</b>					
Amounts falling due within one year	5	(5,417)		(6,928)	
<b>NET CURRENT ASSETS</b>			36,569		31,211
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<b><u>36,569</u></b>		<b><u>31,211</u></b>
<b>RESERVES</b>					
Service charge reserves	8	36,569		31,211	
<b>Leaseholders' Funds</b>			<b><u>36,569</u></b>		<b><u>31,211</u></b>

- a. For the year ending 31 December 2016 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:
  - i. ensuring the company keeps accounting records which comply with Section 386; and
  - ii. 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 February 2017.

**HERONBRIDGE CLOSE RTM COMPANY LTD**

Registered Number 05494732

<b>Cash flow statement</b>		<b>2016</b>	<b>2015</b>
	Note	£	£
Net cash inflow from operating activities	9	3,522	3,762
<b>Returns on investments and servicing of finance</b>			
Interest received	7	338	289
<b>Increase in cash</b>		<b><u>3,860</u></b>	<b><u>4,051</u></b>

**HERONBRIDGE CLOSE RTM COMPANY LTD**

Registered Number 05494732

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2016**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the financial Reporting Standard for Smaller Entities (effective January 2015).

**2 TURNOVER**

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

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Service Charges	11,880	11,520
Bank compensation	50	-
Debt collection charge	37	-
Instalment and late payment charges	600	660
	<u>12,567</u>	<u>12,180</u>

**3 OPERATING PROFIT**

The operating surplus is stated after charging:

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Directors' remuneration (management fees)	2,410	2,325

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

Payments in advance (*prepaid insurance cover*)

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Payments in advance ( <i>prepaid insurance cover</i> )	110	123

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

Accrued expenses (costs not yet paid)

Service Charges received from leaseholders in advance

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Accrued expenses (costs not yet paid)	727	987
Service Charges received from leaseholders in advance	4,690	5,941
	<u>5,417</u>	<u>6,928</u>

**6 RELATED PARTY DISCLOSURES**

During the year the directors John and Diana Morris incurred service charges of £2,475 (2015: £2,400). Accounting Services Ltd, a company owned by the directors charged accountancy fees to the company of £450 (2015: £402). These amounts are included as part of the relevant costs in the Income and Expenditure account.

Amounts owed by the company at the year end (included in creditors) were:

Accrued expense - accountancy fee

Service Charges received from leaseholders in advance

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Accrued expense - accountancy fee	450	402
Service Charges received from leaseholders in advance	1,550	2,475
	<u>2,000</u>	<u>2,877</u>

**7 INTEREST RECEIVABLE**

Bank Interest

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Bank Interest	338	289

**HERONBRIDGE CLOSE RTM COMPANY LTD**  
**Registered Number 05494732**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2016**

**8 SERVICE CHARGE RESERVES**

	Total	Block 13-18	Blocks 1-12 & 19-24
	£	£	£
As at 1st January 2016	31,211	1,175	30,036
Expenses chargeable to block 13-18 only*	0	0	-
Suplus for year - 25% per block	5,358	1,340	4,019
As at 31st December 2016	36,569	2,515	34,055

\* See note 11

**9 - 11.**

**NOTES TO THE CASH FLOW STATEMENT**

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

	<b><u>31.12.16</u></b>	<b><u>31.12.15</u></b>
	£	£
Operating surplus	5,020	3,260
(Increase)/decrease in debtors (note 4)	13	(5)
Increase in operating creditors (note 5)	(1,511)	507
Net cash inflow from operating activities	3,522	3,762

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

	<b><u>31.12.16</u></b>	<b><u>31.12.15</u></b>
	£	£
Balance brought forward	38,016	33,965
Net cash inflow	3,860	4,051
Balance at year-end	41,876	38,016

**HERONBRIDGE CLOSE RTM COMPANY LTD**  
**Registered Number 05494732**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2016**

The following note does not form part of the statutory accounts:

11 Detailed Income and Expenditure	<u>31.12.16</u>	<u>31.12.15</u>
	Total £	Total £
Total Income (note 2)	12,567	12,180
Lighting maintenance	-	(83)
TV reception	-	(90)
Building maintenance	-	-
Boundary fencing and railings	(1,640)	(1,722)
Grounds Maintenance - gardening including re-planting	(1,632)	(1,682)
Paving repairs (block 13-18)	(58)	(163)
Management fees	(2,410)	(2,325)
Accountancy	(450)	(402)
Insurance	(1,307)	(1,444)
Postage, stationery and website	(37)	(74)
Companies House fee	(13)	(13)
<i>It was agreed by leaseholders at the last Annual General Meeting that expenditure on the following items would be chargeable only to block 13-18 reserves whilst that block is brought up to standard of remainder of the site:</i>		
Initial Car park maintenance - charged 2015	-	(620)
Additional grounds maintenance - charged 2015	-	(302)
Communal TV reception system - to be incurred 2017	-	-
Install guttering to porches - date to be determined	-	-
	0	-
	(7,547)	(8,920)
Operating surplus	5,020	3,260
Add Interest received (note 7)	338	289
To service charge reserves (note 8)	<u>5,358</u>	<u>3,549</u>