

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

Registered in England No 05494732
www.heronbrdgeclose.co.uk

HERONBRIDGE CLOSE RTM COMPANY LTD

Registered Number 05494732

Income Statement

For the year ended 31 December 2016

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

HERONBRIDGE CLOSE RTM COMPANY LTD

Registered Number 05494732

Balancing Statement as at 31 December 2016

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

- 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

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

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)	<u>2,410</u>	<u>2,325</u>

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<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.

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Amounts owed by the company at the year end (included in creditors) were:		
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

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

HERONBRIDGE CLOSE RTM COMPANY LTD
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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	<u>36,569</u>	<u>2,515</u>	<u>34,055</u>

* See note 11

9 - 11.

NOTES TO THE CASH FLOW STATEMENT

9 Reconciliation of operating surplus to operating cash flows

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
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	<u>3,522</u>	<u>3,762</u>

10 Analysis of changes in cash during the year.

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

HERONBRIDGE CLOSE RTM COMPANY LTD

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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	-
	<u>(7,547)</u>	<u>(8,920)</u>
Operating surplus	5,020	3,260
Add Interest received (note 7)	338	289
To service charge reserves (note 8)	<u><u>5,358</u></u>	<u><u>3,549</u></u>