

Heronbridge Close RTM Company Ltd

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

31 December 2018
Company limited by guarantee No 05494732

Heronbridge Close RTM Company Ltd

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

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HERONBRIDGE CLOSE RTM COMPANY LTD

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2018

The directors submit their report together with the financial statements for the year ended 31st December 2018.

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 fourth year that the whole site has been managed by the company. During the year the freehold of the site was acquired by Heronbridge Close Freehold Company Ltd which is owned by the majority of the leaseholders at Heronbridge Close.

The service charge for the year to 31 December 2018 was £280 per property (2017: £370) with an additional charge of £400 (being £2,400 in total) agreed by leaseholders for the properties in block 13-18 as they had exercised RTM most recently. This is to continue equalising the funds held for each block. A further discount of £60 (2017: £60) was available to leaseholders paying early.

In the year maintenance work was completed to upgrade the communal TV and satellite system in block 13-18 to bring this up to the same standard as the three blocks that had exercised their Right To Manage previously. The bin store doors to each flat were redecorated during the year and communal Wi-Fi provided to the site for the free use by residents.

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 2018 to the date of this report.

Diana A Morris
John R Morris

BY ORDER OF THE BOARD

John R Morris FCMA CGMA MIRPM
Director
22 January 2018

Registered Office:
15 Windsor Road
Swindon
SN3 1JP

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

HERONBRIDGE CLOSE RTM COMPANY LTD

Registered Number 05494732

Income Statement

For the year ended 31 December 2018

		2018	2017
	Notes	£	£
TURNOVER	3	8,100	9,300
Administrative expenses	12	(11,457)	(6,947)
OPERATING (DEFICIT)/SURPLUS		(3,357)	2,353
Interest receivable and similar income	8	362	313
RETAINED (DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	9	(2,995)	2,666

HERONBRIDGE CLOSE RTM COMPANY LTD

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Balancing Statement as at 31 December 2018		31st December 2018	31st December 2017
	Notes	£	£
CURRENT ASSETS			
Cash at Bank		44,986	44,694
Debtors	5	1,380	499
		<u>46,366</u>	<u>45,193</u>
CREDITORS			
Amounts falling due within one year	6	(10,125)	(5,957)
NET CURRENT ASSETS		36,241	39,236
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>36,241</u>	<u>39,236</u>
RESERVES			
Service charge reserves	9	36,241	39,236
Leaseholders' Funds		<u>36,241</u>	<u>39,236</u>

- a. For the year ending 31 December 2018 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.

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 22 January 2019 and signed on their behalf by:



Diana A Morris - director

HERONBRIDGE CLOSE RTM COMPANY LTD

Registered Number 05494732

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2018

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 RTM Company Ltd is a private company, limited by guarantee, 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>31.12.18</u>	<u>31.12.17</u>
Service Charges	£	£
Additional service charges for block 13-18	5,280	7,440
Instalment and late payment charges	2,400	1,200
	420	660
	<u>8,100</u>	<u>9,300</u>

4 OPERATING PROFIT

The operating surplus is stated after charging:

	<u>31.12.18</u>	<u>31.12.17</u>
Directors' remuneration (management fees)	£	£
	<u>2,630</u>	<u>2,495</u>

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade Debtors (*outstanding Service Charges*)
Payments in advance (*prepaid insurance cover*)

	<u>31.12.18</u>	<u>31.12.17</u>
Trade Debtors (<i>outstanding Service Charges</i>)	£	£
Payments in advance (<i>prepaid insurance cover</i>)	1,245	370
	135	129
	<u>1,380</u>	<u>499</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Accrued expenses (costs not yet paid)
Service charges received from leaseholders in advance

	<u>31.12.18</u>	<u>31.12.17</u>
Accrued expenses (costs not yet paid)	£	£
Service charges received from leaseholders in advance	3,865	632
	6,260	5,325
	<u>10,125</u>	<u>5,957</u>

7 RELATED PARTY DISCLOSURES

During the year the directors John and Diana Morris incurred service charges of £1,100 (2017: £1,550). Accounting Services Ltd, a company owned by the directors charged accountancy fees to the company of £600 (2017: £480). These amounts are included as part of the relevant costs in the Income and Expenditure account.

HERONBRIDGE CLOSE RTM COMPANY LTD
Registered Number 05494732

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2018

8 INTEREST RECEIVABLE		31.12.18	31.12.17
		£	£
Bank Interest		362	313

9 SERVICE CHARGE RESERVES	Block 1-6 £	Block 7-13 £	Block 13-18 £	Blocks 19-24 £	Total £
As at 1st January 2018	11,962	11,962	3,352	11,962	39,236
Additional service charges receivable block 13-18 (note 3)			2,400		2,400
Expenses chargeable to block 13-18 only (note 12)			(980)		(980)
Remaining surplus for year at 25% per block	(1,104)	(1,104)	(1,104)	(1,104)	(4,415)
Total deficit for the year (note 12)	(1,104)	(1,104)	316	(1,104)	(2,995)
As at 31st December 2018	10,858	10,858	3,668	10,858	36,241

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

10 Reconciliation of operating surplus to operating cash flows		31.12.18	31.12.17
		£	£
Operating (deficit)/surplus		(3,357)	2,353
(Increase)/decrease in debtors (note 5)		(881)	(384)
Increase/(decrease) in operating creditors (note 6)		4,168	540
Net cash (outflow)/inflow from operating activities		(70)	2,509

11 Analysis of changes in cash during the year.		31.12.18	31.12.17
		£	£
Balance brought forward		44,694	41,872
Interest received (note 8)		362	313
Net cash (outflow)/inflow from operating activities (note 10)		(70)	2,509
Balance at year-end		44,986	44,694

HERONBRIDGE CLOSE RTM COMPANY LTD
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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2018

12 Detailed Income and Expenditure	<u>31.12.18</u>	<u>31.12.17</u>
	Total	Total
	£	£
Total income (note 3)	8,100	9,300
Building maintenance	(3,657)	(40)
Communal electricity	(65)	-
Grounds maintenance	(2,066)	(1,496)
Paving repairs	-	(60)
Management fees	(2,630)	(2,495)
Accountancy	(600)	(480)
Insurance	(1,434)	(1,357)
Sundries incl postage and website	(12)	(34)
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	-	-
Additional grounds maintenance - charged 2015	-	-
Communal TV reception system - to be incurred 2017 and 2018	(630)	(972)
Install guttering to porches - due in 2018	(350)	(980)
		-
	(11,457)	(6,947)
Operating (deficit)/surplus	(3,357)	2,353
Add interest received (note 7)	362	313
(From)/to service charge reserves (note 8)	<u>(2,995)</u>	<u>2,666</u>