

Heronbridge Close Freehold Company Ltd

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

31 December 2021
Company No 10152078

Heronbridge Close Freehold Company Ltd

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2021

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HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2021

The directors submit their report together with the financial statements for the year ended 31st December 2021.

PRINCIPAL ACTIVITIES

The principal activity of the company is to own the freehold and maintain and administer land and buildings at Heronbridge Close, Swindon.

BUSINESS REVIEW

The company purchased the freehold of 1-24 Heronbridge Close, Swindon in 2018. The cost was funded by advance payments received from leaseholders who have extended their leases to 999 years together with loans received to cover the cost of the freehold interests of the non-participating leaseholders.

On 1 January 2020 the company assumed management responsibilities for the site that were previously undertaken by Heronbridge Close RTM Company Ltd.

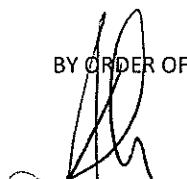
AUDIT

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

Robert John Baker
Diana Alice Morris
John Robert Morris

BY ORDER OF THE BOARD


John R Morris FCMA CGMA MIRPM
Director
9 January 2022

Registered Office:
15 Windsor Road
Swindon
SN3 1JP

Registered in England No 10152078
www.heronbridgeclose.co.uk

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

Registered Number 10152078

Income Statement

For the year ended 31 December 2021

		2021	2020
	Notes	£	£
TURNOVER	3	8,400	8,280
Administrative expenses	14	(8,439)	(7,941)
OPERATING (DEFICIT)/SURPLUS		(39)	339
Interest receivable and similar income	9	203	289
RETAINED SURPLUS FOR THE YEAR		164	628

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD
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Balancing Statement as at 31 December 2021	Notes	31st December 2021		31st December 2020	
		£	£	£	£
Freehold land and buildings	8		35,120		35,120
CURRENT ASSETS					
Cash at Bank		48,489		45,532	
Debtors	4	505		643	
		48,994		46,175	
CREDITORS					
Amounts falling due within one year	5	(12,095)		(9,440)	
NET CURRENT LIABILITIES					
			36,899		36,735
CREDITORS					
Amounts falling due over one year	6		(35,120)		(35,120)
TOTAL ASSETS LESS LIABILITIES					
			<u>36,899</u>		<u>36,735</u>
RESERVES					
Share capital	2		20		20
General reserves	11		480		240
Service charge reserves	10		36,400		36,475
TOTAL					
			<u>36,900</u>		<u>36,735</u>

- a. For the year ending 31 December 2021 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 9 January 2022 and signed on their behalf by:



Diana A Morris - director

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

Registered Number 10152078

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2021

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 Freehold Company Ltd is a private company, limited by ordinary £1 shares, registered in England and Wales. The company's registered number and registered office address can be found on the Directors' Report page.

The average number of employees during the year was: none (2020: none)

3 TURNOVER

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

	<u>31.12.21</u> £	<u>31.12.21</u> £	<u>31.12.20</u> £	<u>31.12.20</u> £
Ground rent		240		240
Service charges	5,760		5,640	
Additional income block 13-18	2,400	8,160	2,400	8,040
Total		<u>8,400</u>		<u>8,280</u>

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.21</u> £	<u>31.12.20</u> £
Trade debtors - <i>outstanding service charges*</i>	323	490
Payments in advance (<i>prepaid insurance cover</i>)	182	153
	<u>505</u>	<u>643</u>

* No 16; £323.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.21</u> £	<u>31.12.20</u> £
Other creditors - <i>service charges received in advance</i>	9,428	7,193
Accrued expenses	2,667	2,247
	<u>12,095</u>	<u>9,440</u>

6 CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR

	<u>31.12.21</u> £	<u>31.12.20</u> £
Loans received from shareholders	<u>35,120</u>	<u>35,120</u>

The loans totalling £35,120 cover the freehold interest of the four non-participating leaseholders. These will be repaid to members by the company from the proceeds of future lease extensions granted to the non-participating leaseholders.

7 RELATED PARTY DISCLOSURES

During the year Accounting Services Ltd, of which John Morris and Diana Morris are directors charged accountancy fees to the company of £720 (2020: £720). During the year John Morris and Diana Morris were paid management fees as disclosed in note 14.

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2021

<u>8 FIXED ASSETS</u>		<u>31.12.21</u>	<u>31.12.20</u>
		£	£
Freehold land and buildings		35,120	35,120

The freehold purchase was financed as follows:	No of flats	each	Total
		£	£
Premiums received from members for lease extensions *	20	8,780	175,596
Loans received from members for the freehold interest of non-participants	4	8,780	35,120
Original freehold cost	24	8,780	210,716

*The 20 members have entered into deeds of variation to increase their lease term to 999 year leases at a cost of £8,780 each plus costs.

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

<u>9 INTEREST RECEIVABLE</u>		<u>31.12.21</u>	<u>31.12.20</u>
		£	£
Bank interest receivable		203	289

<u>10 SERVICE CHARGE RESERVES</u>	Block 1 - 6 £	Block 7 - 13 £	Block 13 - 18 £	Block 19 -24 £	<u>31.12.21</u>
					Total £
Opening reserves	9,716	9,716	7,327	9,716	36,475
Additional income for block 13-18 (note 3)	-	-	2,400	-	2,400
Remaining deficit for year at 25% per block	(670)	(670)	(670)	(670)	(2,679)
Total operating (deficit)/surplus (note 14)	(670)	(670)	1,730	(670)	(279)
Interest received (note 9)	54	54	43	54	203
As at 31 December 2021	<u>9,100</u>	<u>9,100</u>	<u>9,100</u>	<u>9,100</u>	<u>36,400</u>

<u>11 GENERAL RESERVE</u>		<u>31.12.21</u>
		£
Opening reserve		240
Transfer to reserve (note 14)		240
<u>Closing reserve at year end</u>		<u>480</u>

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD
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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2021

12 Reconciliation of operating surplus to operating cash flows

	<u>31.12.21</u>	<u>31.12.20</u>
	£	£
Operating (deficit)/surplus (note 14)	(39)	339
Decrease/(increase in debtors (note 4)	138	(642)
Increase/(decrease) in operating creditors (note 5)	2,655	(173,459)
Net cash inflow/(outflow) from operating activities	<u>2,754</u>	<u>(173,762)</u>

13 Analysis of changes in cash during the year.

	<u>31.12.21</u>	<u>31.12.20</u>
	£	£
Balance brought forward	45,532	7,322
Service charge reserves transferred from Heronbridge RTM Company Ltd	-	36,087
Lease extensions granted	-	175,596
Interest received (note 9)	203	289
Net cash inflow from operating activities (note 12)	<u>2,754</u>	<u>(173,762)</u>
Balance at year-end	<u>48,489</u>	<u>45,532</u>

14 Detailed Income and Expenditure

	<u>31.12.21</u>	<u>31.12.20</u>
	£	£
Service charge income (note 3)	8,160	8,040
Maintenance - building	(576)	(456)
Maintenance - communal TV	-	(65)
Communal electricity	(260)	(238)
Gardening	(1,752)	(1,789)
Management fees	(2,980)	(2,860)
Accounting	(720)	(720)
Insurance - buildings	(1,976)	(1,687)
Insurance - directors and officers	(138)	(96)
Sundries (incl postage)	(24)	(17)
Companies House fee	(13)	(13)
	<u>(8,439)</u>	<u>(7,941)</u>
Service charge operating (deficit)/surplus transferred (from)/to reserves (note 10)	<u>(279)</u>	<u>99</u>
Ground rent income (note 3) transferred to reserves (note 11)	240	240
Total operating (deficit)/surplus for the year	<u>(39)</u>	<u>339</u>
Interest receivable (note 9) transferred to reserves (note 10)	203	289
Net service charge (deficit)/surplus for the year	<u>(76)</u>	<u>388</u>

15 OTHER INFORMATION

Freehold

The company purchased the freehold of the site on which there are 24 maisonettes on 24 January 2018 for £210,716 with funds provided by 20 participating leaseholders who are the members of the company.

Leases

The company has entered into deeds of variation to extend the 20 members' leases to 999 years at a peppercorn (£0.00) ground rent. The remaining four leases are for 99 years expiring in June 2080 with a ground rent of £60 a year increasing to £90 in 2023.

Service Charges

No commissions or kick-backs of any kind are received by the managing agent or directors of the company.