

Heronbridge Close Freehold Company Ltd

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

31 December 2022

Company No 10152078

Heronbridge Close Freehold Company Ltd

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2022

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HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2022

The directors submit their report together with the financial statements for the year ended 31st December 2022.

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. To fund the cost, 20 leaseholders made advance payments to extend their leases to 999 years and made loans to the company 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 which was dissolved in 2021.

At the end of 2021 the service charge reserves for block 13-18 was equal to each of the reserves for the other three blocks and the service charges reserves were amalgamated into one reserve fund.

The company's buildings insurance cost increased during the year following a subsidence claim in 2021 for block 1-6.

AUDIT

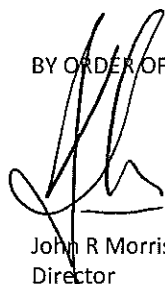
The company has taken advantage of The Companies Act 2006 (Audit Exemptions) Section 477.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 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 2023

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 2022

| | | 2022 | 2021 |
|--|-------|--------------|-------------|
| | Notes | £ | £ |
| TURNOVER | 3 | 12,660 | 8,400 |
| Administrative expenses | 14 | (10,000) | (8,439) |
| OPERATING SURPLUS(DEFICIT) | | 2,660 | (39) |
| Interest receivable and similar income | 9 | 441 | 203 |
| RETAINED SURPLUS FOR THE YEAR | | 3,101 | 164 |

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

Registered Number 10152078

Balancing Statement as at 31 December 2022

| | Notes | 31st December 2022 | | 31st December 2021 | |
|--------------------------------------|-------|--------------------|----------------------|--------------------|----------------------|
| | | £ | £ | £ | £ |
| Freehold land and buildings | 8 | | 35,120 | | 35,120 |
| CURRENT ASSETS | | | | | |
| Cash at Bank | | 50,844 | | 48,490 | |
| Debtors | 4 | <u>1,232</u> | | <u>505</u> | |
| | | 52,076 | | 48,995 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 5 | <u>(12,075)</u> | | (12,095) | |
| NET CURRENT LIABILITIES | | | 40,001 | | 36,900 |
| CREDITORS | | | | | |
| Amounts falling due over one year | 6 | | (35,120) | | (35,120) |
| TOTAL ASSETS LESS LIABILITIES | | | <u><u>40,001</u></u> | | <u><u>36,900</u></u> |
| RESERVES | | | | | |
| Share capital | 2 | | 20 | | 20 |
| General reserves | 11 | | 720 | | 480 |
| Service charge reserves | 10 | | 39,261 | | 36,400 |
| TOTAL | | | <u><u>40,001</u></u> | | <u><u>36,900</u></u> |

- a. For the year ending 31 December 2022 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 2023 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 2022**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 (2021: none)

3 TURNOVER

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

| | 31.12.22 | 31.12.21 |
|-----------------|-----------------|-----------------|
| | £ | £ |
| Ground rent | 240 | 240 |
| Service charges | 12,420 | 8,160 |
| Total | 12,660 | 8,400 |

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.22 | 31.12.21 |
|--|-----------------|-----------------|
| | £ | £ |
| Trade debtors - <i>outstanding service charges*</i> | 963 | 323 |
| Payments in advance (<i>prepaid insurance cover</i>) | 269 | 182 |
| | 1,232 | 505 |

* No 16; £963.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.22 | 31.12.21 |
|--|-----------------|-----------------|
| | £ | £ |
| Other creditors - <i>service charges received in advance</i> | 10,050 | 9,428 |
| Accrued expenses | 2,025 | 2,667 |
| | 12,075 | 12,095 |

6 CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR

| | 31.12.22 | 31.12.21 |
|----------------------------------|-----------------|-----------------|
| | £ | £ |
| Loans received from shareholders | 35,120 | 35,120 |

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 (2021: £720). During the year John Morris and Diana Morris were paid management fees as disclosed in note 14.

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD
Registered Number 10152078

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2022

8 FIXED ASSETS

| | <u>31.12.22</u> | <u>31.12.21</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-participator | 4 | 8,780 | 35,120 |
| Original freehold cost | 24 | 8,780 | <u>210,716</u> |

*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:

9 INTEREST RECEIVABLE

| | <u>31.12.22</u> | <u>31.12.21</u> |
|--------------------------|-----------------|-----------------|
| | £ | £ |
| Bank interest receivable | 441 | 203 |

10 SERVICE CHARGE RESERVES

| | <u>31.12.22</u> |
|---|-----------------|
| | £ |
| Opening service charge reserves | 36,400 |
| Service charge surplus for the year (note 14) | 2,861 |
| Closing reserve at year end | <u>39,261</u> |

11 GENERAL RESERVE

| | <u>31.12.22</u> |
|-------------------------------|-----------------|
| | £ |
| Opening reserve | 480 |
| Transfer to reserve (note 14) | 240 |
| Closing reserve at year end | <u>720</u> |

HERONBRIDGE CLOSE FREEHOLD COMPANY LTD
Registered Number 10152078

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2022

12 Reconciliation of operating surplus to operating cash flows

| | 31.12.22 | 31.12.21 |
|---|-----------------|-----------------|
| | £ | £ |
| Operating surplus/(deficit) (note 14) | 2,660 | (39) |
| (Increase)/decrease in debtors (note 4) | (727) | 138 |
| (Decrease)/increase in operating creditors (note 5) | (20) | 2,655 |
| Net cash inflow from operating activities | 1,913 | 2,754 |

13 Analysis of changes in cash during the year.

| | 31.12.22 | 31.12.21 |
|---|-----------------|-----------------|
| | £ | £ |
| Balance brought forward | 48,490 | 45,533 |
| Interest received (note 9) | 441 | 203 |
| Net cash inflow from operating activities (note 12) | 1,913 | 2,754 |
| Balance at year-end | 50,844 | 48,490 |

14 Detailed Income and Expenditure

| | 31.12.21 | 31.12.20 |
|---|-----------------|-----------------|
| | £ | £ |
| Service charge income (note 3) | 12,420 | 8,160 |
| Maintenance - building | (360) | (576) |
| Maintenance - car parks | (500) | - |
| Maintenance - communal TV system | (140) | |
| Communal electricity | (360) | (260) |
| Gardening | (1,698) | (1,752) |
| Management fees | (3,100) | (2,980) |
| Accounting | (720) | (720) |
| Insurance - buildings | (2,913) | (1,976) |
| Insurance - directors and officers | (163) | (138) |
| Sundries (incl postage) | (33) | (24) |
| Companies House fee | (13) | (13) |
| | (10,000) | (8,439) |
| Service charge operating surplus/(deficit) transferred to/(from) (note 10) | 2,420 | (279) |
| Ground rent income (note 3) transferred to reserves (note 11) | 240 | 240 |
| Total operating surplus/(deficit) for the year | 2,660 | (39) |
| Interest receivable (note 9) transferred to reserves (note 10) | 441 | 203 |
| Net service charge surplus/(deficit) for the year | 2,861 | (76) |

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.