

# **Heronbridge Close Freehold Company Ltd**

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

31 December 2023

Company No 10152078

# **Heronbridge Close Freehold Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2023**

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HERONBRIDGE CLOSE FREEHOLD COMPANY LTD

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2023

The directors submit their report together with the financial statements for the year ended 31st December 2023.

**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 2022 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 2023 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 MTPI

Director

11 September 2024

Registered Office:  
15 Windsor Road  
Swindon  
SN3 1JP

Registered in England No 10152078  
[www.heronbridgeclose.co.uk](http://www.heronbridgeclose.co.uk)

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**

Registered Number 10152078

**Income Statement**

For the year ended 31 December 2023

		2023	2022
	Notes	£	£
<b>SERVICE CHARGE INCOME</b>	3	13,860	12,660
Administrative expenses	14	(14,703)	(10,000)
<b>SERVICE CHARGE (DEFICIT)/SURPLUS</b>		<b>(843)</b>	<b>2,660</b>
Interest receivable and similar income	9	1,624	441
		781	3,101
Capital Gain	8	8,045	-
Tax	11	(1,838)	-
<b>RETAINED SURPLUS FOR THE YEAR</b>	14	<b>6,988</b>	<b>3,101</b>

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**

Registered Number 10152078

<b>Balancing Statement as at 31 December 2023</b>		<b>31st December 2023</b>		<b>31st December 2022</b>	
	Notes	£	£	£	£
Freehold land and buildings	8		26,340		35,120
<b>CURRENT ASSETS</b>					
Cash at Bank		71,302		50,844	
Debtors	4	319		1,232	
		71,621		52,076	
<b>CREDITORS</b>					
Amounts falling due within one year	5	(24,632)		(12,075)	
<b>NET CURRENT LIABILITIES</b>					
			46,989		40,001
<b>CREDITORS</b>					
Amounts falling due over one year	6		(26,340)		(35,120)
<b>TOTAL ASSETS LESS LIABILITIES</b>					
			<u>46,989</u>		<u>40,001</u>
<b>RESERVES</b>					
Share capital	2		20		20
Reserves	10		46,969		39,981
<b>TOTAL</b>			<u>46,989</u>		<u>40,001</u>

a. For the year ending 31 December 2023 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 11 September 2024 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 2023**

**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 (2022: none)

**3 TURNOVER**

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

	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Service charges	13,560	12,420
Other income	300	240
<b>Total</b>	<b>13,860</b>	<b>12,660</b>

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

	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Trade debtors - <i>outstanding service charges*</i>	-	963
Payments in advance ( <i>prepaid insurance cover</i> )	319	269
	<b>319</b>	<b>1,232</b>

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

	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Other creditors - <i>service charges received in advance</i>	11,267	10,050
Other creditors - <i>loans received from shareholders</i>	8,780	-
Accrued expenses	2,747	2,025
<b>Operating Creditors</b>	<b>22,794</b>	<b>12,075</b>
Other Creditors Tax	1,838	-
	<b>24,632</b>	<b>12,075</b>

**6 CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR**

	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Loans received from shareholders	26,340	35,120

The loans received from shareholders 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 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 £840 (2022: £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 2023**

**8 FIXED ASSETS**

		<u>31.12.2023</u>	<u>31.12.2022</u>
		£	£
Freehold land and buildings		26,340	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 for the freehold interest of non-participants	4	8,780	35,120
Original freehold cost	24	8,780	210,716
Loans received for the freehold interest of non-participants	4	8,780	35,120
Reduction in non-participants loans during the year	(1)	(8,780)	(8,780)
Loans received from members for the freehold interest of non-participant	3	8,780	26,340
Original freehold cost	24	8,780	<u>201,936</u>

\*The 20 members have entered into deeds of variation to increase their lease term to 999 year leases at an additional cost of £460 each.

During the year one of the non-participating leaseholders extended their lease term to 999 years paying the company a premium of £16,825. Of this £8,780 will be returned to the 20 participating leaseholders to repay part of their loans. The balance of £8,045 is a capital gain by the company and as agreed will be returned to the 20 participating shareholders after deduction of tax incurred by the company.

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

**9 INTEREST RECEIVABLE**

		<u>31.12.2023</u>	<u>31.12.2022</u>
		£	£
Bank interest receivable		1,554	441
Interest received on overdue accounts		70	-
		<u>1,624</u>	<u>441</u>

**10 SERVICE CHARGE RESERVES**

		<u>31.12.2023</u>
		£
Opening service charge reserves	Service Charge	39,261
Surplus for the year (note 14)		720
Closing reserve at year end		<u>39,733</u>
	General	6,516
		39,981
		6,988
		<u>46,969</u>

**11 CORPORATION TAX**

Whilst the company is normally dormant for tax purposes it received the following taxable income in the year (2022: nil)

	<u>31.12.2023</u>
	£
Interest receivable	1,624
Capital gain	8,045
Tax due at 19%	<u>1,838</u>

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**  
**Registered Number 10152078**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2023**

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

	<b>31.12.2023</b>	<b>31.12.2022</b>
	£	£
Operating (deficit)/surplus (note 14)	(843)	2,660
Decrease/(increase) in debtors (note 4)	913	(727)
Increase/(decrease) in operating creditors (note 5 and 6)	1,939	(20)
Net cash inflow from operating activities	<b>2,009</b>	<b>1,913</b>

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

	<b>31.12.2023</b>	<b>31.12.2022</b>
	£	£
Balance brought forward	50,844	48,490
Interest received (note 9)	1,624	441
Lease extension granted	16,825	-
Net cash inflow from operating activities (note 12)	<b>2,009</b>	<b>1,913</b>
Balance at year-end	<b>71,302</b>	<b>50,844</b>

**14 Detailed Income and Expenditure**

	<b>31.12.2023</b>	<b>31.12.2022</b>
	£	£
Income (note 3)	13,860	12,660
Maintenance - building	(530)	(360)
Maintenance - car parks	-	(500)
Maintenance - communal TV system	-	(140)
Maintenance - paving	(75)	-
Maintenance - fencing/railings	(3,363)	-
Communal electricity	(420)	(360)
Gardening	(2,320)	(1,698)
Management fees	(3,427)	(3,100)
Accounting	(840)	(720)
Insurance - buildings	(3,524)	(2,913)
Insurance - directors and officers	(179)	(163)
Sundries (incl postage)	(12)	(33)
Companies House fee	(13)	(13)
Service charge operating (deficit)/surplus	<b>(14,703)</b>	<b>(10,000)</b>
Interest receivable (note 9)	1,624	441
Less provision for tax (note 11)	<b>(309)</b>	-
Surplus transferred to reserves (note 10)	<b>472</b>	<b>3,101</b>
Other income		
Capital gain on lease extension	8,045	-
Less provision for tax (note 11)	<b>(1,529)</b>	-
Transfer to reserves	<b>6,988</b>	<b>3,101</b>

**HERONBRIDGE CLOSE FREEHOLD COMPANY LTD**  
**Registered Number 10152078**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2023**

**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 21 of the 24 leases to 999 years at a peppercorn (£0.00) ground rent. The remaining three leases are for 99 years expiring in June 2080 with a ground rent of £90 a year. Increasing to £120 in 2044.

**Service Charges**

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