

4 - 9 Herschel Close RTM Company Limited

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

31 December 2016

Company limited by guarantee No 06448667

4 - 9 Herschel Close RTM Company Limited

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

INDEX

PAGE

1	REPORT OF THE DIRECTORS
2	INCOME STATEMENT
3	BALANCING STATEMENT
4 - 5	NOTES TO THE FINANCIAL STATEMENTS

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED
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 4 - 9 Hershel Close, 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

At the end of the year the communal lighting was upgraded to sensor activated LED lighting in order to improve the safety and security of tenants and reduce ongoing maintenance costs. It is anticipated that these improvements combined with a change of electricity tariff will reduce electricity costs from 2017.

The service charge for the year to 31 December 2016 was £700 per property (2015: £700).

AUDIT

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

SERVICE CHARGE ACCOUNTS

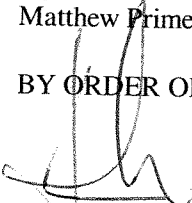
The directors have produced the statutory accounts for the year on a consistent basis to show the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to

DIRECTOR

The director shown below has held office during the whole of the period from 1 January 2016 to the date of this report.

Matthew Prime

BY ORDER OF THE BOARD


John R Morris FCMA CGMA MIRPM
Company Secretary
7 February 2017

Registered Office:
15 Windsor Road
Swindon
SN3 1JP

Registered in England No 06448667
www.herscelclose.rtmweb.site

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

Income Statement

For the year ended 31 December 2016

		2016	2015
	Notes	£	£
TURNOVER	2	4,208	4,200
Administrative expenses	9	(4,690)	(3,696)
RETAINED (DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	6	<u>(482)</u>	<u>504</u>

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

Balancing Statement as at 31 December 2016

	Notes	31st December 2016		31st December 2015	
		£	£	£	£
CURRENT ASSETS					
Cash at Bank		4,265		4,466	
Debtors	3	<u>861</u>		<u>906</u>	
		5,126		5,372	
CREDITORS					
Amounts falling due within one year	4	<u>(480)</u>		<u>(244)</u>	
NET CURRENT ASSETS			4,646		5,128
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,646</u>		<u>5,128</u>
RESERVES					
Service charge reserves	6		4,646		5,128
Leaseholders' Funds			<u>4,646</u>		<u>5,128</u>

- a. For the year ending 31 December 2016 the company was entitled to exemption 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:
- ensuring the company keeps accounting records which comply with Section 386; and
 - 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.

Matthew Prime



Director

The financial statements were approved by the director on 7 February 2017.

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

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).

The financial statements for the previous year were not prepared on an accruals basis in accordance with applicable accounting standards or as required under section 21(5) of the Landlord & Tenant Act 1985 and the RICS Service Charge Residential Management Code. Therefore, the directors have restated the comparative accounts for the previous year on a consistent basis.

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	4,200	4,200
Other income	8	0
	<u>4,208</u>	<u>4,200</u>

3 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Trade Debtors (<i>outstanding Service Charges</i>)*	433	404
Payments in advance (<i>prepaid insurance cover</i>)	428	502
	<u>861</u>	<u>906</u>

* No 8 £433

4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Accrued expenses (costs not yet paid)	480	125
Service Charges received from leaseholders in advance	0	119
	<u>480</u>	<u>244</u>

5 TRANSACTIONS WITH DIRECTOR

Matthew Prime

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Amount owing to company brought forward	169	94
Service charges incurred in year	2,100	2,100
Payments received by company	(2,269)	(2,025)
Amount owing to company at year-end	<u>0</u>	<u>169</u>

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2016

6 SERVICE CHARGE RESERVES

	Total
	£
As at 1st January 2016	5,128
Deficit for the year (note 9)	(482)
As at 31st December 2016	<u>4,646</u>

The director considers that the company should aim to maintain service charge reserves at a level similar to two years of service charge income to meet unexpected expenditure requirements.

7 Reconciliation of operating surplus to operating cash flows

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Operating (deficit)/surplus	(482)	504
Decrease/(increase) in debtors (note 3)	45	(82)
Increase in operating creditors (note 5)	236	5
Net cash (outflow)/inflow from operating activities	<u>(201)</u>	<u>427</u>

8 Analysis of changes in cash during the year.

	<u>31.12.16</u>	<u>31.12.15</u>
	£	£
Balance brought forward	4,466	4,039
Net cash (outflow)/inflow	(201)	427
Balance at year-end	<u>4,265</u>	<u>4,466</u>

The following note does not form part of the statutory accounts:

9 Detailed Income and Expenditure

	<u>31.12.16</u>	<u>31.12.15</u>
	Total	Total
	£	£
Total Income (note 2)	4,208	4,200
Maintenance - electrical	(530)	0
Maintenance - other	(98)	(10)
Window cleaning	(432)	(396)
Internal cleaning	(864)	(732)
Emergency light testing	(216)	(257)
Grounds maintenance	(432)	(481)
Communal electricity	(333)	(331)
Accountancy	(200)	0
Management fees	(887)	(750)
Insurance	(607)	(661)
Postage, stationery and website	(12)	0
Companies House fee	(13)	(13)
Bank charges	(66)	(65)
	<u>(4,690)</u>	<u>(3,696)</u>
Operating (deficit)/surplus	<u>(482)</u>	<u>504</u>