

4 - 9 Herschel Close RTM Company Limited

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

31 December 2018

Company limited by guarantee No 06448667

4 - 9 Herschel Close RTM Company Limited

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

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REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2018

The director submits his 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 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

During the year the company provided communal WiFi access to residents and changed the bank account to remove bank charges as an overhead expense and a deposit account was opened to receive interest on service charge funds.

During 2019 the company will seek to improve the external areas and has appointed a new gardening contractor from the New Year.

The service charge for the year to 31 December 2018 was £862 per property (2017: £764). In 2019 the service charge will be increased £1,080 with a discount of £60 available if the total for the year is paid prior to 1 January 2019. The increase will establish reserves at a higher level to cope with increased maintenance costs as the building becomes older.

AUDIT

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

SERVICE CHARGE ACCOUNTS

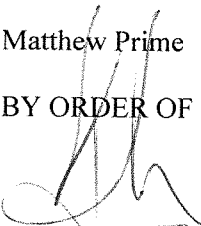
The directors have produced the statutory accounts for the year on a consistent basis to show the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to the members.

DIRECTOR

The director shown below has held office during the whole of the period from 1 January 2018 to the date of this report.

Matthew Prime

BY ORDER OF THE BOARD


John R Morris FCMA CGMA MIRPM
Company Secretary
1 January 2019

Registered Office:

15 Windsor Road, Swindon, SN3 1JP

Registered in England No 06448667

www.herscelclose.rmcweb.site

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

Income Statement

For the year ended 31 December 2018

		2018	2017
	Notes	£	£
TURNOVER	3	4,872	4,584
Administrative expenses	11	(5,196)	(4,130)
RETAINED (DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	8	(324)	454

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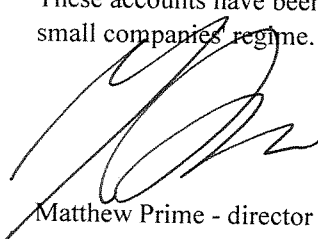
Registered Number 06448667

Balancing Statement as at 31 December 2018

	Notes	31st December 2018		31st December 2017	
		£	£	£	£
CURRENT ASSETS					
Cash at Bank		5,025		4,625	
Debtors	4	<u>1,315</u>		<u>959</u>	
		6,340		5,584	
CREDITORS					
Amounts falling due within one year	5	<u>(1,489)</u>		<u>(452)</u>	
NET CURRENT ASSETS			4,851		5,132
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>4,851</u></u>		<u><u>5,132</u></u>
RESERVES					
Service charge reserves	8		4,851		5,132
Leaseholders' Funds			<u><u>4,851</u></u>		<u><u>5,132</u></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.



Matthew Prime - director

The financial statements were approved by the director on 1 January 2019.

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered number 06448667

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 and as required under section 21(5) of the Landlord & Tenant Act 1985 and the RICS Service Charge Residential Management Code.

2 STATUTORY INFORMATION

4 - 9 Herschel Close RTM Company Limited 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	4,812	4,584
Other income	60	0
	<u>4,872</u>	<u>4,584</u>

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.18</u>	<u>31.12.17</u>
	£	£
Trade debtors (<i>outstanding service charges</i>)*	959	597
Payments in advance (<i>prepaid insurance cover</i>)	356	362
	<u>1,315</u>	<u>959</u>

* No 8 £959

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.18</u>	<u>31.12.17</u>
	£	£
Accrued expenses (costs not yet paid)	469	299
Service charges received from leaseholders in advance	1,020	153
	<u>1,489</u>	<u>452</u>

6 TRANSACTIONS WITH DIRECTOR

Matthew Prime	<u>31.12.18</u>	<u>31.12.17</u>
	£	£
Amount owing to company brought forward	0	169
Service charges incurred in year	2,406	2,100
Payments received by company	(2,406)	(2,269)
Amount owing to company at year-end	<u>0</u>	<u>0</u>

7 INTEREST RECEIVABLE

	<u>31.12.18</u>	<u>31.12.17</u>
	£	£
Bank interest	43	32

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Registered number 06448667

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2018

8 SERVICE CHARGE RESERVES

	Total £
As at 1st January 2018	5,132
Deficit for the year (note 11)	(281)
As at 31st December 2018	<u>4,851</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.

9 Reconciliation of operating surplus to operating cash flows

	<u>31.12.18</u> £	<u>31.12.17</u> £
Operating (deficit)/surplus	(324)	454
Increase in debtors (note 4)	(356)	(98)
Increase/(decrease) in operating creditors (note 5)	1,037	(28)
Net cash inflow from operating activities	<u>357</u>	<u>328</u>

10 Analysis of changes in cash during the year.

	<u>31.12.18</u> £	<u>31.12.17</u> £
Balance brought forward	4,625	4,265
Net cash inflow from operating activities (note 9)	357	328
Interest received (note 7)	43	32
Balance at year-end	<u>5,025</u>	<u>4,625</u>

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

11 Detailed Income and Expenditure

	<u>31.12.18</u>	<u>31.12.17</u>
	Total £	Total £
Total Income (note 3)	4,872	4,584
Maintenance - electrical	(552)	-
Maintenance - other	(1,052)	(115)
Maintenance - door access control system	-	(790)
Window cleaning	(150)	(150)
Internal cleaning	(624)	(624)
Grounds maintenance	(528)	(432)
Communal electricity	(158)	(135)
Accountancy	(360)	(240)
Management fees	(1,210)	(900)
Insurance	(530)	(599)
Sundry	(12)	(58)
Companies House fee	(13)	(13)
Bank charges	(7)	(74)
	<u>(5,196)</u>	<u>(4,130)</u>
Operating surplus/(deficit)	<u>(324)</u>	<u>454</u>
Add interest received (note 7)	43	32
To service charge reserves (note 8)	<u>(281)</u>	<u>486</u>