

4 - 9 Herschel Close RTM Company Limited

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

31 December 2022

Company limited by guarantee No 06448667

4 - 9 Herschel Close RTM Company Limited

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2022

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4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED
REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2022

The director submits his report together with the financial statements for the year ended 31st December 2022.

PRINCIPAL ACTIVITIES

The principal activity of the company is to manage, maintain and administer land and buildings at 4 - 9 Herschel 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 a new carpet was fitted to the ground floor and a professional fire risk assessment (FRA) commissioned. A copy of the FRA is available on the company website.

The service charge for the year to 31 December 2022 was £1,360 per property (2021: £1,300) with a discount of £60 available if the total for the year is paid prior to 1 January 2022. The increase will help to establish reserves at a higher level to meet future maintenance costs including redecoration and covers the increase in insurance premiums following rebuild cost assessment undertaken during the year.

SERVICE CHARGE ACCOUNTS

The director has produced the statutory accounts for the year on a consistent basis to show the service charge accounts passing through the company as it is considered that 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 2022 to the date of this report.

Matthew Prime

BY ORDER OF THE BOARD



John R Morris FCMA CGMA MIRPM
Company Secretary
1 January 2023

Registered Office:

15 Windsor Road, Swindon, SN3 1JP

Registered in England No 06448667
www.herschelclose.rmcweb.site

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

Income Statement

For the year ended 31 December 2022

		2022	2021
	Notes	£	£
TURNOVER	3	8,100	7,680
Administrative expenses	10	(6,600)	(7,364)
OPERATING SURPLUS		<u>1,500</u>	<u>316</u>
Interest receivable and similar income	6	86	40
RETAINED SURPLUS FOR THE FINANCIAL YEAR	7	<u><u>1,586</u></u>	<u><u>356</u></u>


4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

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Balancing Statement as at 31 December 2022		31st December 2022		31st December 2021	
	Notes	£	£	£	£
CURRENT ASSETS					
Cash at Bank		12,380		9,386	
Debtors	4	<u>1,215</u>		<u>951</u>	
		13,595		10,337	
CREDITORS					
Amounts falling due within one year	5	<u>(5,728)</u>		<u>(4,056)</u>	
NET CURRENT ASSETS			7,867		6,281
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>7,867</u></u>		<u><u>6,281</u></u>
RESERVES					
Service charge reserves	7		7,867		6,281
Leaseholders' Funds			<u><u>7,867</u></u>		<u><u>6,281</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 surplus or deficit 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 2023.

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered number 06448667

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 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 Director's 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.

	<u>31.12.22</u>	<u>31.12.21</u>
	£	£
Service charges	7,800	7,440
Other income	300	240
	<u>8,100</u>	<u>7,680</u>

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.22</u>	<u>31.12.21</u>
	£	£
Trade debtors (<i>outstanding service charges</i>)	-	-
Payments in advance (<i>prepaid insurance cover</i>)	1,215	951
	<u>1,215</u>	<u>951</u>

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>31.12.22</u>	<u>31.12.21</u>
	£	£
Accrued expenses (<i>costs not yet paid</i>)	1,308	1,396
Other creditors	1,100	1,100
Service charges received from leaseholders in advance	3,320	1,560
	<u>5,728</u>	<u>4,056</u>

6 INTEREST RECEIVABLE

	<u>31.12.22</u>	<u>31.12.21</u>
	£	£
Bank interest	86	40

7 SERVICE CHARGE RESERVES

	£
As at 1st January 2022	6,281
Deficit for the year (note 11)	1,586
As at 31st December 2022	<u>7,867</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.

4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered number 06448667

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2022

8 Reconciliation of operating surplus to operating cash flows	<u>31.12.22</u>	<u>31.12.21</u>
	£	£
Operating surplus	1,500	316
Increase in debtors (note 4)	(264)	(90)
Increase/(decrease) in operating creditors (note 5)	1,672	(943)
Net cash inflow from operating activities	<u>2,908</u>	<u>(717)</u>

9 Analysis of changes in cash during the year.	<u>31.12.22</u>	<u>31.12.21</u>
	£	£
Balance brought forward	9,386	10,063
Net cash inflow/(outflow) from operating activities (note 8)	2,908	(717)
Interest received (note 6)	86	40
Balance at year-end	<u>12,380</u>	<u>9,386</u>

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

10 Detailed Income and Expenditure	<u>31.12.22</u>	<u>31.12.21</u>
	Total	Total
	£	£
Total Income (note 3)	8,100	7,680
Maintenance - electrical	-	(120)
Maintenance - other	(360)	(1,208)
Window cleaning	(110)	(110)
Internal cleaning	(860)	(860)
Grounds maintenance	(1,033)	(1,021)
Communal electricity	(201)	(234)
Accountancy	(720)	(720)
Management fees	(1,440)	(1,390)
Fire risk assessment	-	(300)
Insurance - buildings	(1,486)	(1,287)
Insurance - directors & officers	(185)	(89)
Insurance - rebuild cost assessment	(180)	-
Sundry	(12)	(12)
Companies House fee	(13)	(13)
	<u>(6,600)</u>	<u>(7,364)</u>
Operating service charge surplus	<u>1,500</u>	<u>316</u>
Add interest received (note 6)	86	40
Transferred to service charge reserves (note 8)	<u>1,586</u>	<u>356</u>

11 OTHER INFORMATION**Ground Rent**

The property consists of six apartments held on a lease for a period of 125 years from 1 January 2004 with an initial ground rent of £150 a year with a rent review on 1 January 2025 indexed to the percentage increase in the value of the building.

Right To Manage

The leaseholders of the premises acquired their Right To Manage in 2008 and the RTM company is responsible for managing the site and setting the service charges.

Service Charges

The company has appointed a professional local managing agent to manage the site on its behalf. The managing agent advises the company on the level of service charges based on forecast expenditure.

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