

# **4 - 9 Herschel Close RTM Company Limited**

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

31 December 2023

Company limited by guarantee No 06448667

# 4 - 9 Herschel Close RTM Company Limited

## FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2023

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

**YEAR ENDED 31ST DECEMBER 2023**

The director submits his report together with the financial statements for the year ended 31st December 2023.

**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**

The service charge for the year to 31 December 2023 was £1,490 per property (2022: £1,360) with a discount of £60 available if the total for the year is paid prior to 1 January 2023. The increase helped to meet the high inflationary costs during the year and will slowly establish reserves at a higher level to meet unexpected fluctuations in future maintenance expenditure.

**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 2023 to the date of this report.

Matthew Prime

BY ORDER OF THE BOARD

  
John R Morris FCMA CGMA MIRPM  
Company Secretary  
1 January 2024

Registered Office:  
15 Windsor Road, Swindon, SN3 1JP

Registered in England No 06448667  
[www.herschelclose.rmcweb.site](http://www.herschelclose.rmcweb.site)

## 4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

### Income Statement

For the year ended 31 December 2023

		2023	2022
	Notes	£	£
<b>TURNOVER</b>	3	8,820	8,100
Administrative expenses	10	(7,912)	(6,600)
<b>OPERATING SURPLUS</b>		<u>908</u>	<u>1,500</u>
Interest receivable and similar income	6	247	86
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR</b>	7	<u><u>1,155</u></u>	<u><u>1,586</u></u>

#### 4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED

Registered Number 06448667

#### Balancing Statement as at 31 December 2023

	Notes	31st December 2023		31st December 2022	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Cash at Bank		13,831		12,380	
Debtors	4	<u>1,336</u>		<u>1,215</u>	
		15,167		13,595	
<b>CREDITORS</b>					
Amounts falling due within one year	5	<u>(6,145)</u>		<u>(5,728)</u>	
<b>NET CURRENT ASSETS</b>			9,022		7,867
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>9,022</u></u>		<u><u>7,867</u></u>
<b>RESERVES</b>					
Service charge reserves	7		9,022		7,867
<b>Leaseholders' Funds</b>			<u><u>9,022</u></u>		<u><u>7,867</u></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 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 2024.

**4 - 9 HERSCHEL CLOSE RTM COMPANY LIMITED**

Registered number 06448667

**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 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 (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	8,580	7,800
Other income	240	300
	<u>8,820</u>	<u>8,100</u>

**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> )	-	-
Payments in advance ( <i>prepaid insurance cover</i> )	1,336	1,215
	<u>1,336</u>	<u>1,215</u>

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

	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Accrued expenses ( <i>costs not yet paid</i> )	1,455	1,308
Other creditors	1,100	1,100
Service charges received from leaseholders in advance	3,590	3,320
	<u>6,145</u>	<u>5,728</u>

**6 INTEREST RECEIVABLE**

	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Bank interest	247	86

**7 SERVICE CHARGE RESERVES**

	£
As at 1st January 2023	7,867
Surplus for the year (note 11)	1,155
As at 31st December 2023	<u>9,022</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 2023**

8 Reconciliation of operating surplus to operating cash flows	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Operating surplus	908	1,500
Increase in debtors (note 4)	(121)	(264)
Increase in operating creditors (note 5)	417	1,672
Net cash inflow from operating activities	<u>1,204</u>	<u>2,908</u>

9 Analysis of changes in cash during the year.	<u>31.12.2023</u>	<u>31.12.2022</u>
	£	£
Balance brought forward	12,380	9,386
Net cash inflow from operating activities (note 8)	1,204	2,908
Interest received (note 6)	247	86
Balance at year-end	<u>13,831</u>	<u>12,380</u>

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

10 Detailed Income and Expenditure	<u>31.12.2023</u>	<u>31.12.2022</u>
	Total £	Total £
Total Income (note 3)	8,820	8,100
Maintenance - electrical	(32)	-
Maintenance - other	(512)	(360)
Window cleaning	(165)	(110)
Internal cleaning	(927)	(860)
Grounds maintenance	(1,326)	(1,033)
Communal electricity	(355)	(201)
Accountancy	(720)	(720)
Management fees	(1,548)	(1,440)
Fire risk assessment	(300)	-
Insurance - buildings	(1,800)	(1,486)
Insurance - directors & officers	(202)	(185)
Insurance - rebuild cost assessment	-	(180)
Sundry	(12)	(12)
Companies House fee	(13)	(13)
	<u>(7,912)</u>	<u>(6,600)</u>
<b>Operating service charge surplus</b>	<u><b>908</b></u>	<u><b>1,500</b></u>
Add interest received (note 6)	247	86
Transferred to service charge reserves (note 8)	<u><b>1,155</b></u>	<u><b>1,586</b></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.

**Commissions and kickbacks**

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