

# **Charminster Close Residents Company Ltd**

Financial Statements for the year ended

31 December 2009

Company Number 01274809

# **Charminster Close Residents Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2009**

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**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2009**

The Directors submit their report together with the financial statements for the year ended 31st December 2009.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

**Principal activities**

The principal activities of the company are to manage, maintain and administer the land and buildings at Charminster Close, Nythe, Swindon.

The company operates under the terms of:

- a) a head lease entered into between the company and the freeholder
- b) a sub-lease between the company as lessor and leaseholders who are entitled to be shareholders
- c) the "Right To Manage" provisions of the Commonhold and Leasehold Reform Act 2002.

**Business review**

The "Right To Manage" was exercised under the provisions of the Commonhold and Leasehold Reform Act 2002 by Charminster Close RTM Company Ltd in 2007. The RTM Company duly appointed Charminster Close Resident's Company Ltd to continue to manage the property on its behalf.

**Current year**

The Service Charges for 2009 were agreed by members of Charminster Close RTM Company Ltd at the Annual General Meeting held on 29 November 2007 at £912 per year inclusive of annual ground rent at £65, payable in monthly instalments of £76 or £852 annually if paid in full, in advance by 1 January 2009. The budget for 2009 was agreed at the meeting with the refurbishment of the communal windows and TV aerial system being the major items of proposed expenditure.

During 2009 the communal windows were replaced with new UPVc windows, a pedestrian gate installed, hawthorn boundary hedges planted alongside The Drive and a laurel hedge and other shrubs planted on the boundary of the western car park next to the railings installed the previous year. The first stage of the upgraded communal TV aerial system upgrade was installed at the end of the year with completion taking place in early 2010. The grounds are managed on a communal basis and replanting and tree maintenance continued during the year. The directors wish to thank the gardening contractor as the grounds benefited from his continuing excellent work.

The properties were re-roofed early in 2007 and a sinking fund has been established to be funded at £4,800 per annum in order to meet the next re-roofing costs anticipated in about 2023.

**2010**

The Service Charges for 2010 were agreed by members at the Annual General Meeting held on 9 December 2008 at £936 per year inclusive of annual ground rent at £65, payable in monthly instalments of £78 or £876 annually if paid in full, in advance by 1 January 2010. It is anticipated that work will commence on a door entry system during 2010 along with work to extend the bin stores in anticipation of the Council moving to fortnightly waste collections.

**DIVIDENDS**

No dividends were paid or proposed during the year (2008 Nil)

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2009**

**COMMONHOLD AND LEASEHOLD REFORM ACT 2002**

Sections 152 and 156 of the Commonhold and Leasehold Reform Act may be commenced during 2010. Items that these sections are likely to require include:

- a) That service charge transactions cease to be shown within the accounts of the Company, as funds held by the Company are held in trust on behalf of tenants (leaseholders). Given that these proposals have yet to be enacted and no guidance has yet been issued on the new format to be adopted the directors have prepared these accounts on the same basis as previous years in order to maintain consistency.
- b) An Income and Expenditure Report and Balancing Statement be produced within six months of a year in a format similar to that shown on page 8 of the notes to these accounts.

**AUDIT**

The company has taken advantage of The Companies Act 2006 (Audit Exemptions) Section 477(2).

**RESERVES**

During the year ended 31 December 2009 the company's reserves increased by £8,016 (2008, £5,093). £4,800 has been transferred to the designated roof repair reserve (2008, £4,800) and £3,216 transferred (2008, £293) to general reserves to meet other future maintenance costs.

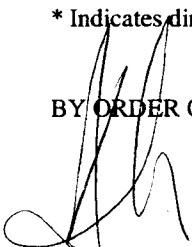
**DIRECTORS' INTERESTS**

The directors who served during the year were:

Philip George Harwood  
Janet Hawkins  
John Robert Morris\*

\* Indicates director due to retire by rotation under the Articles of Association at the next Annual General Meeting.

BY ORDER OF THE BOARD



John R Morris FCMA AIRPM  
Director  
31 January 2010

Registered office: 15 Windsor Road, Swindon SN3 1JP    [www.charminsterclose.co.uk](http://www.charminsterclose.co.uk)  
Company Number 01274809

## CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

| <b>Profit and Loss Account</b>                     |             | <b>2009</b>  | <b>2008</b>  |
|--|-------------|--------------|--------------|
| <b>For the year ended 31 December:-</b>            |             |              |              |
|  | <b>Note</b> | <b>£</b>     | <b>£</b>     |
| Turnover from continuing operations                | 2           | 26,940       | 26,760       |
| Operating charges                                  |             | (19,227)     | (21,957)     |
| <b>Operating Profit from continuing operations</b> |             | <b>7,713</b> | <b>4,803</b> |
| Interest receivable                                | 7           | 303          | 290          |
| <b>Retained profit</b>                             | <b>8</b>    | <b>8,016</b> | <b>5,093</b> |
|  |             |              |              |

There are no recognised gains or losses other than the profits for the years, as shown above and therefore, no separate statement of recognised gains and losses has been presented.

There is no material difference between the company results as reported and on an unmodified historical cost basis.

Accordingly, no note of historical cost profits and losses has been included.

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

| <b>Balance Sheet as at:-</b>                           |      | <b>31st December 2009</b> |               | <b>31st December 2008</b> |               |
|--|------|---------------------------|---------------|---------------------------|---------------|
|  | Note | £                         | £             | £                         | £             |
| <b>Current Assets</b>                                  |      |                           |               |                           |               |
| Cash at Bank   |      | 31,778                    |               | 29,028                    |               |
| Debtors  | 3    | 3,328                     |               | 2,081                     |               |
|  |      | 35,106                    |               | 31,109                    |               |
| <b>Creditors : Amounts falling due within one year</b> | 4    | (9,647)                   |               | (13,666)                  |               |
| <b>Net Current Assets</b>                              |      |                           | 25,459        |                           | 17,443        |
| <b>Total Assets Less Current Liabilities</b>           |      |                           | <b>25,459</b> |                           | <b>17,443</b> |
| <b>Capital and Reserves</b>                            |      |                           |               |                           |               |
| Called up share capital                                | 5    |                           | 30            |                           | 30            |
| <b>Shareholders' Funds - equity interests</b>          |      |                           | 30            |                           | 30            |
| Service Charge reserves                                | 8    |                           | 15,829        |                           | 12,613        |
| Designated Reserve (roof fund)                         | 8    |                           | 9,600         |                           | -             |
| <b>Service Charge reserves</b>                         | 12   |                           | 25,429        |                           | 12,613        |
| <b>Total</b>   |      |                           | <b>25,459</b> |                           | <b>12,643</b> |

- a. For the year ending 31 March 2010 the company was entitled to exemption under section 477(2) 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.

Philip Harwood



Director

The financial statements were approved by the board of directors on 31 January 2010

| <b>CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED</b>     |      |             |             |
|--|------|-------------|-------------|
| <b>Cash flow statement</b>                             | Note | <b>2009</b> | <b>2008</b> |
|  |      | £           | £           |
| Net cash inflow from operating activities              | 9    | 2,447       | 13,490      |
| <b>Returns on investments and servicing of finance</b> |      |             |             |
| Interest received                                      | 7    | 303         | 290         |
| Increase in cash                                       |      | 2,750       | 13,780      |
|  |      |             |             |

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2009**

**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's financial statements.

**(a) Basis of Preparation**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost accounting convention.

**2 TURNOVER**

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

|                 | <u>2009</u> | <u>2009</u>   | <u>2008</u> | <u>2008</u>   |
|-----------------|-------------|---------------|-------------|---------------|
|                 |             | £             |             | £             |
| Service Charges |             | 23,610        |             | 22,890        |
| Other income:   |             |               |             |               |
| Instalment fees | 1,380       |               | 1,320       |               |
| Ground Rent     | 1,950       |               | 1,950       |               |
| Assignment fees | 0           | 3,330         | 600         | 3,870         |
|                 |             | <u>26,940</u> |             | <u>26,760</u> |

**3 DEBTORS**

|  | <u>2009</u>  | <u>2008</u>  |
|--|--------------|--------------|
|  | £            | £            |
| Trade Debtors (outstanding Service Charges*) | 1,445        | 118          |
| Prepaid expenses                             | 1,883        | 1,963        |
|  | <u>3,328</u> | <u>2,081</u> |

\*Flat 7 £76, Flat 9 £957 Flat 14 £76, Flat 17 £76, Flat 19 £260

**4 CREDITORS: Amounts falling due within one year**

|                                     | <u>2009</u>  | <u>2008</u>   |
|-------------------------------------|--------------|---------------|
|                                     | £            | £             |
| Accrued expenses                    | 3,440        | 5,928         |
| Leaseholders' RTE fund              | 1,753        | 1,700         |
| Service Charges received in advance | 4,454        | 6,038         |
|                                     | <u>9,647</u> | <u>13,666</u> |

**5 SHARE CAPITAL**

|   | <u>2009</u> | <u>2008</u> |
|---|-------------|-------------|
|   | £           | £           |
| Authorised: ordinary shares of £10 each                             | 30          | 30          |
| <u>Allotted, called up and paid:</u><br>ordinary shares of £10 each | 30          | 30          |

**6 CONTROL**

No one person controls the company.

**7 INTEREST RECEIVABLE**

|                             | <u>2009</u> | <u>2008</u> |
|-----------------------------|-------------|-------------|
|                             | £           | £           |
| Bank Interest (net of tax)  | 303         | 227         |
| Interest on Service Charges | 0           | 63          |
|                             | <u>303</u>  | <u>290</u>  |



**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2009**

**8 RECONCILIATION OF PROFIT AND LOSS RESERVES**

|                              | Total<br>£    | Service Charges allocated as:<br>Designated Non-Designated |               |
|------------------------------|---------------|--|---------------|
|                              |               | £  | £             |
| As at 1st January 2009       | 17,413        | 4,800  | 12,613        |
| Retained profit for the year | 8,016         | 4,800  | 3,216         |
| As at 31st December 2009     | <u>25,429</u> | <u>9,600</u>   | <u>15,829</u> |

The Designated Reserve is in respect of the sinking fund established to maintain the flat roofs.

9. - 10.

**NOTES TO THE CASH FLOW STATEMENT**

***9 Reconciliation of operating profit to operating cash flows***

|   | <u>2009</u>  | <u>2008</u>   |
|---|--------------|---------------|
|   | £            | £             |
| Operating profit                                    | 7,713        | 4,803         |
| (Increase)/Decrease in debtors (note 3)             | (1,247)      | 471           |
| (Decrease)/Increase in operating creditors (note 4) | (4,019)      | 8,216         |
| <b>Net cash inflow from operating activities</b>    | <u>2,447</u> | <u>13,490</u> |

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

|                         | <u>2009</u>   | <u>2008</u>   |
|-------------------------|---------------|---------------|
|                         | £             | £             |
| Balance brought forward | 29,028        | 15,248        |
| Net cash inflow         | 2,750         | 13,780        |
| Balance at year-end     | <u>31,778</u> | <u>29,028</u> |

***11 Detailed Profit & Loss***

|  | <u>2009</u>     | <u>2008</u>     |
|--|-----------------|-----------------|
|  | £               | £               |
| Total Income (note 2)                                | 26,940          | 26,760          |
| Service Charge expenditure:                          |                 |                 |
| Insurance  | (2,935)         | (3,041)         |
| Electricity  | (84)            | (82)            |
| Cleaning   | (1,120)         | (960)           |
| Grounds maintenance                                  | (3,560)         | (3,526)         |
| Repairs and maintenance                              | (2,599)         | (2,539)         |
| Communal doors                                       | -               | (9,085)         |
| Communal TV aerial upgrade                           | (4,200)         | -               |
| UPVC Communal windows                                | (1,969)         | -               |
| Sundry   | (155)           | (154)           |
| Companies House fees                                 | (45)            | (45)            |
| Accountancy  | (610)           | (575)           |
|  | <u>(17,277)</u> | <u>(20,007)</u> |
| Ground rent  | (1,950)         | (1,950)         |
| Total expenditure                                    | <u>(19,227)</u> | <u>(21,957)</u> |
| Operating profit                                     | 7,713           | 4,803           |
| Add Interest receivable (note 7)                     | 303             | 290             |
| <b>Retained profit prior to transfer to reserves</b> | <u>8,016</u>    | <u>5,093</u>    |
| Transfer to Designated Roof Fund (note 8)            | (4,800)         | (4,800)         |
| <b>Transfer to General Reserves (note 8)</b>         | <u>3,216</u>    | <u>293</u>      |

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2009**

**12 Income and Expenditure Account**

- as will be required by the Commonhold and Leasehold Reform Act 2002

| <b>Income:</b>                                 | <b>2009</b>   | <b>2008</b>   |
|--|---------------|---------------|
|  | £             | £             |
| <b>Service Charges receivable from tenants</b> |               |               |
| Service Charges                                | 23,610        | 22,890        |
| Additional income                              | 3,330         | 3,270         |
| <b>Total</b>                                   | <b>26,940</b> | <b>26,160</b> |
| Interest (net of tax)                          | 303           | 290           |
| Other Income: - lease transfer fees            | 0             | 600           |
| <b>Total Income</b>                            | <b>27,243</b> | <b>27,050</b> |

**Expenditure:**

**Repairs and Maintenance**

|  |              |               |
|--|--------------|---------------|
| Communal TV aerial upgrade                 | 4,200        | 0             |
| Communal windows replacement (2008: doors) | 1,969        | 9,085         |
| Other repairs and maintenance              | 3,719        | 3,499         |
|  | <b>9,888</b> | <b>12,584</b> |

|                            |       |       |
|----------------------------|-------|-------|
| <b>Grounds Maintenance</b> | 3,560 | 3,526 |
|----------------------------|-------|-------|

**Professional Fees**

|                               |            |            |
|-------------------------------|------------|------------|
| Accountancy fees              | 610        | 575        |
| Accountancy Section 21 report | -          | -          |
|                               | <b>610</b> | <b>575</b> |

|                  |       |       |
|------------------|-------|-------|
| <b>Insurance</b> | 2,935 | 3,041 |
|------------------|-------|-------|

|                  |    |    |
|------------------|----|----|
| <b>Utilities</b> |    |    |
| Electric         | 84 | 82 |

**General Expenses**

|                        |            |            |
|------------------------|------------|------------|
| Postage and Stationery | 155        | 154        |
| Companies House Fees   | 45         | 45         |
|                        | <b>200</b> | <b>199</b> |

|                          |               |               |
|--------------------------|---------------|---------------|
| <b>Total Expenditure</b> | <b>17,277</b> | <b>20,007</b> |
|--------------------------|---------------|---------------|

|                  |       |       |
|------------------|-------|-------|
| Plus Ground Rent | 1,950 | 1,950 |
|------------------|-------|-------|

|                                     |       |       |
|-------------------------------------|-------|-------|
| Surplus at end of accounting period | 8,016 | 5,093 |
|-------------------------------------|-------|-------|

|  |         |         |
|--|---------|---------|
| Surplus transferred to designated roof repair sinking fund | (4,800) | (4,800) |
|--|---------|---------|

|  |              |            |
|--|--------------|------------|
| <b>Surplus Transferred to Reserves</b> | <b>3,216</b> | <b>293</b> |
|--|--------------|------------|

**Balancing Statement**

| <b>Assets</b>  | <b>2008</b>   | <b>Actual</b> |
|--|---------------|---------------|
|  | £             | £             |
| Sums paid in this period but relating to a subsequent period | 1,883         | 1,963         |
| Service Charges not yet received                             | 1,445         | 118           |
| Cash at bank   | 31,778        | 29,028        |
|  | <b>35,106</b> | <b>31,109</b> |

**Liabilities**

|  |                |                 |
|--|----------------|-----------------|
| Service Charges received in advance                        | (4,454)        | (6,038)         |
| Leaseholders' RTE fund                                     | (1,753)        | (1,700)         |
| Charminster Close Residents Company Ltd share capital      | (30)           | (30)            |
| Costs relating to this or previous period but not yet paid | (3,440)        | (5,928)         |
| <b>Current Liabilities</b>                                 | <b>(9,677)</b> | <b>(13,696)</b> |

|                   |               |               |
|-------------------|---------------|---------------|
| <b>Net Assets</b> | <b>25,429</b> | <b>17,413</b> |
|-------------------|---------------|---------------|

|   |              |              |
|---|--------------|--------------|
| Designated Reserve brought forward                | 4,800        | 0            |
| Designated reserve roof repairs from current year | 4,800        | 4,800        |
|   | <b>9,600</b> | <b>4,800</b> |

|                          |               |               |
|--------------------------|---------------|---------------|
| Reserves brought forward | 12,613        | 12,320        |
| Transfer to reserves     | 3,216         | 293           |
| Surplus to reserves      | 15,829        | 12,613        |
| <b>Reserve Funds</b>     | <b>25,429</b> | <b>17,413</b> |