

# **Charminster Close Residents Company Ltd**

Financial Statements for the year ended

31 December 2010

Company Number 01274809

# **Charminster Close Residents Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2010**

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**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2010**

The Directors submit their report together with the financial statements for the year ended 31st December 2010.

**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 2010 were agreed at the Annual General Meeting on 9 December 2008 at £938 (2009 - £912) per year inclusive of annual ground rent at £65 (2009 £65), payable in monthly instalments of £78 (2009 £76) or £876 (2009 £852) annually if paid in full, in advance by 1 January 2010.

During 2010 the communal TV distribution system was upgraded and the grounds that are managed on a communal basis benefitted from replanting and tree maintenance during the year. The directors wish to thank the gardening contractor as the grounds benefitted 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.

**2011**

It is anticipated that during 2011 work will commence on a door entry system, the ramps to the communal doors will be re-laid to reduce the incline and work will begin in the car park in anticipation of the extension to the bin stores to accommodate the Council moving to fortnightly waste collections.

**DIVIDENDS**

No dividends were paid or proposed during the year (2009 Nil)

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2010**

**COMMONHOLD AND LEASEHOLD REFORM ACT 2002**

Sections 152 and 156 of the Commonhold and Leasehold Reform Act were due to have commenced during 2010. Items that these sections were 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 2010 the company's reserves increased by £15,985 (2009, £8,016). £4,800 has been transferred to the designated roof repair reserve (2009, £4,800) and £11,812 transferred (2009, £3,216) to general reserves to meet other future maintenance costs.

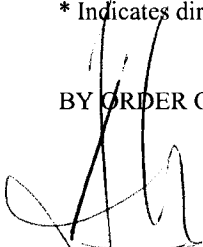
**DIRECTORS' INTERESTS**

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 2011

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

<b>CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED</b>			
<b>Profit and Loss Account</b>			
<b>For the year ended 31 December:-</b>		<b>2010</b>	<b>2009</b>
	Note	£	£
Turnover from continuing operations	2	28,370	26,940
Operating charges		(12,385)	(19,227)
<b>Operating Profit from continuing operations</b>		<b>15,985</b>	<b>7,713</b>
Interest receivable	7	628	303
<b>Retained profit</b>	8	<b>16,613</b>	<b>8,016</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.

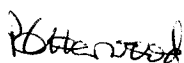
Accordingly, no note of historical cost profits and losses has been included.

# CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

Balance Sheet as at:-		31st December 2010		31st December 2009	
	Note	£	£	£	£
<b>Current Assets</b>					
Cash at Bank		46,979		31,778	
Debtors	3	2,044		3,328	
		49,023		35,106	
<b>Creditors : Amounts falling due within one year</b>	4	(6,951)		(9,647)	
Net Current Assets			42,072		25,459
Total Assets Less Current Liabilities			<b>42,072</b>		<b>25,459</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		27,642		15,829
Designated Reserve (roof fund)	8		14,400		9,600
<b>Service Charge reserves</b>	12		42,042		25,429
<b>Total</b>			<b>42,072</b>		<b>25,459</b>

- a. For the year ending 31 December 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:
- 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.

Philip Harwood



Director

The financial statements were approved by the board of directors on 31 January 2011

## CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

Cash flow statement	Note	2010	2009
		£	£
Net cash inflow from operating activities	9	14,573	2,447
<b>Returns on investments and servicing of finance</b>			
Interest received	7	628	303
Increase in cash		15,201	2,750

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2010**

**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>2010</u>	<u>2010</u>	<u>2009</u>	<u>2009</u>
		£		£
Service Charges		24,330		23,610
Other income:				
Instalment fees	1,440		1,380	
Ground Rent	1,950		1,950	
Assignment fees	650	4,040	0	3,330
		<u>28,370</u>		<u>26,940</u>

**3 DEBTORS**

	<u>2010</u>	<u>2009</u>
	£	£
Trade Debtors (outstanding Service Charges*)	166	1,445
Prepaid expenses	1,878	1,883
	<u>2,044</u>	<u>3,328</u>

\*Flat 1 £60, Flat 16 £60, Flat 19 £46

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

	<u>2010</u>	<u>2009</u>
	£	£
Accrued expenses	569	3,440
Leaseholders' RTE fund	1,788	1,753
Service Charges received in advance	4,594	4,454
	<u>6,951</u>	<u>9,647</u>

**5 SHARE CAPITAL**

	<u>2010</u>	<u>2009</u>
	£	£
Authorised: ordinary shares of £10 each	30	30
<u>Allotted, called up and paid:</u>		
ordinary shares of £10 each	30	30

**6 CONTROL**

No one person controls the company.

**7 INTEREST RECEIVABLE**

	<u>2010</u>	<u>2009</u>
	£	£
Bank Interest (net of tax)	512	303
Interest on Service Charges	116	0
	<u>628</u>	<u>303</u>



**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2010**

**8 RECONCILIATION OF PROFIT AND LOSS RESERVES**

	Total	Service Charges allocated as:	
	£	Designated	Non-Designated
	£	£	£
As at 1st January 2010	25,429	9,600	15,829
Retained profit for the year	16,613	4,800	11,813
As at 31st December 2010	<u>42,042</u>	<u>14,400</u>	<u>27,642</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***

	<b><u>2010</u></b>	<b><u>2009</u></b>
	£	£
Operating profit	15,985	7,713
Decrease/(Increase) in debtors (note 3)	1,284	(1,247)
Decrease in operating creditors (note 4)	(2,696)	(4,019)
<b>Net cash inflow from operating activities</b>	<b><u>14,573</u></b>	<b><u>2,447</u></b>

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

	<b><u>2010</u></b>	<b><u>2009</u></b>
	£	£
Balance brought forward	31,778	29,028
Net cash inflow	15,201	2,750
Balance at year-end	<b><u>46,979</u></b>	<b><u>31,778</u></b>

***11 Detailed Profit & Loss***

	<b><u>2010</u></b>	<b><u>2009</u></b>
	£	£
Total Income (note 2)	28,370	26,940
Service Charge expenditure:		
Insurance	(2,890)	(2,935)
Electricity	(68)	(84)
Cleaning	(1,050)	(1,120)
Grounds maintenance	(2,148)	(3,560)
Repairs and maintenance	(236)	(2,599)
Communal doors	-	-
Cummunal TV aerial upgrade	(3,250)	(4,200)
UPVC Communal windows	-	(1,969)
Sundry	(119)	(155)
Companies House fees	(45)	(45)
Accountancy	(629)	(610)
	<u>(10,435)</u>	<u>(17,277)</u>
Ground rent	(1,950)	(1,950)
Total expenditure	<u>(12,385)</u>	<u>(19,227)</u>
Operating profit	15,985	7,713
Add Interest receivable (note 7)	628	303
<b>Retained profit prior to transfer to reserves</b>	<b><u>16,613</u></b>	<b><u>8,016</u></b>
Transfer to Designated Roof Fund (note 8)	(4,800)	(4,800)
<b>Transfer to General Reserves (note 8)</b>	<b><u>11,813</u></b>	<b><u>3,216</u></b>

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2010**

**12 Income and Expenditure Account**

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

<b>Income:</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
	<b>£</b>	<b>£</b>
<b>Service Charges receivable from tenants</b>		
Service Charges	24,330	23,610
Additional income	3,390	3,330
<b>Total</b>	<b>27,720</b>	<b>26,940</b>
Interest (net of tax)	628	303
Other Income: - lease transfer fees	650	0
<b>Total Income</b>	<b>28,998</b>	<b>27,243</b>
<b><u>Expenditure:</u></b>		
<b>Repairs and Maintenance</b>		
Communal TV aerial upgrade	3,250	4,200
Communal windows replacement (2008: doors)	-	1,969
Other repairs and maintenance	1,286	3,719
	4,536	9,888
<b>Grounds Maintenance</b>	2,148	3,560
<b>Professional Fees</b>		
Accountancy fees	629	610
Accountancy Section 21 report	-	-
	629	610
<b>Insurance</b>	2,890	2,935
<b>Utilities</b>		
Electric	68	84
<b>General Expenses</b>		
Postage and Stationery	119	155
Companies House Fees	45	45
	164	200
<b>Total Expenditure</b>	<b>10,435</b>	<b>17,277</b>
Plus Ground Rent	1,950	1,950
Surplus at end of accounting period	16,613	8,016
Surplus transferred to designated roof repair sinking fund	(4,800)	(4,800)
<b>Surplus Transferred to Reserves</b>	<b>11,813</b>	<b>3,216</b>
<b><u>Balancing Statement</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
<b>Assets</b>	<b>£</b>	<b>£</b>
Sums paid in this period but relating to a subsequent period	1,878	1,883
Service Charges not yet received	166	1,445
Cash at bank	46,979	31,778
	<b>49,023</b>	<b>35,106</b>
<b>Liabilities</b>		
Service Charges received in advance	(4,594)	(4,454)
Leaseholders' RTE fund	(1,788)	(1,753)
Charminster Close Residents Company Ltd share capital	(30)	(30)
Costs relating to this or previous period but not yet paid	(569)	(3,440)
<b>Current Liabilities</b>	<b>(6,981)</b>	<b>(9,677)</b>
<b>Net Assets</b>	<b>42,042</b>	<b>25,429</b>
Designated Reserve brought forward	9,600	4,800
Designated reserve roof repairs from current year	4,800	4,800
	14,400	9,600
Reserves brought forward	15,829	12,613
Transfer to reserves	11,813	3,216
Surplus to reserves	27,642	15,829
<b>Reserve Funds</b>	<b>42,042</b>	<b>25,429</b>