

# **Charminster Close Residents Company Ltd**

Financial Statements for the year ended

31 December 2011

Company Number 01274809

# **Charminster Close Residents Company Ltd**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

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**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2011**

The Directors submit their report together with the financial statements for the year ended 31st December 2011.

**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 Charge for the calendar year 2011 was £960 (2010 - £936) inclusive of annual ground rent at £65 (2010 £65), payable in 12 monthly instalments of £80 (2010 £78) or £900 (2010 £876) annually if paid in full, in advance at the start of the year assuming there were no arrears brought forward.

During 2011 the ramps to the communal doors were re-laid to reduce the incline and provide a level access to each block. The communal electrics were upgraded and an asbestos report covering communal areas commissioned, (a copy of which is available on the company website [charminsterclose.co.uk](http://charminsterclose.co.uk).) The grounds are managed on a communal basis and benefited from replanting and tree maintenance during the year. The directors wish to thank the gardening contractor as the grounds continue to benefit from his 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.

**2012**

During 2012 work will commence on a door entry system 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 (2010 Nil)

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2011**

**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 2011 the company's reserves increased by £14,879 (2010, £16,613). £4,800 has been transferred to the designated roof repair reserve (2010, £4,800) and £10,079 transferred (2010, £11,812) to general reserves to meet other future maintenance costs.

**DIRECTORS' INTERESTS**

The directors who served during the year were:

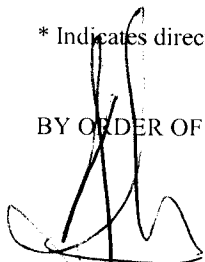
Philip George Harwood

Janet Hawkins - resigned 31 January 2011

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 CGMA AIRPM

Director

31 January 2012

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>2011</b>	<b>2010</b>
	Note	£	£
Turnover from continuing operations	2	28,480	28,370
Operating charges		(13,940)	(12,385)
<b>Operating Profit from continuing operations</b>		<b>14,540</b>	<b>15,985</b>
Interest receivable	7	339	628
<b>Retained profit</b>	8	<b>14,879</b>	<b>16,613</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 2011		31st December 2010	
	Note	£	£	£	£
<b>Current Assets</b>					
Cash at Bank		57,354		46,979	
Debtors	3	4,280		2,044	
		61,634		49,023	
<b>Creditors : Amounts falling due within one year</b>	4	(4,683)		(6,951)	
Net Current Assets			56,951		42,072
Total Assets Less Current Liabilities			<b>56,951</b>		<b>42,072</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		37,721		27,642
Designated Reserve (roof fund)	8		19,200		14,400
<b>Service Charge reserves</b>	12		56,921		42,042
<b>Total</b>			<b>56,951</b>		<b>42,072</b>

- a. For the year ending 31 December 2011 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*

Philip Harwood

Director

The financial statements were approved by the board of directors on 31 January 2012

<b>CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED</b>			
<b>Cash flow statement</b>	Note	2011	2010
		£	£
Net cash inflow from operating activities	9	10,036	14,573
<b>Returns on investments and servicing of finance</b>			
Interest received	7	339	628
Increase in cash		10,375	15,201

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2011**

**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>2011</u>	<u>2011</u>	<u>2010</u>	<u>2010</u>
		£		£
Service Charges		25,050		24,330
Other income:				
Instalment fees	1,440		1,440	
Ground Rent	1,950		1,950	
Assignment and other fees	40	3,430	650	4,040
		<u>28,480</u>		<u>28,370</u>

**3 DEBTORS**

	<u>2011</u>	<u>2010</u>
	£	£
Trade Debtors (outstanding Service Charges*)	2,110	166
Prepaid expenses	2,170	1,878
	<u>4,280</u>	<u>2,044</u>

\*Flat 1 £50, Flat 5 £80.00, Flat 9 £960, Flat 16 £1,020.

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

	<u>2011</u>	<u>2010</u>
	£	£
Accrued expenses	2,791	569
Leaseholders' RTE fund	1,812	1,788
Service Charges received in advance	80	4,594
	<u>4,683</u>	<u>6,951</u>

**5 SHARE CAPITAL**

	<u>2011</u>	<u>2010</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>2011</u>	<u>2010</u>
	£	£
Bank Interest (net of tax)	304	512
Interest on Service Charges	35	116
	<u>339</u>	<u>628</u>



**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2011**

**8 RECONCILIATION OF PROFIT AND LOSS RESERVES**

	Total	Service Charges allocated as:	
	£	Designated	Non-Designated
	£	£	£
As at 1st January 2011	42,042	14,400	27,642
Retained profit for the year	14,879	4,800	10,079
As at 31st December 2011	<u>56,921</u>	<u>19,200</u>	<u>37,721</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>2011</u></b>	<b><u>2010</u></b>
	£	£
Operating profit	14,540	15,985
(Increase)/Decrease in debtors (note 3)	(2,236)	1,284
Decrease in operating creditors (note 4)	(2,268)	(2,696)
<b>Net cash inflow from operating activities</b>	<u>10,036</u>	<u>14,573</u>

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

	<b><u>2011</u></b>	<b><u>2010</u></b>
	£	£
Balance brought forward	46,979	31,778
Net cash inflow	10,375	15,201
Balance at year-end	<u>57,354</u>	<u>46,979</u>

**11 Detailed Profit & Loss**

	<b><u>2011</u></b>	<b><u>2010</u></b>
	£	£
Total Income (note 2)	28,480	28,370
Service Charge expenditure:		
Insurance	(3,112)	(2,890)
Electricity	(103)	(68)
Cleaning	(830)	(1,050)
Grounds maintenance	(2,148)	(2,148)
Repairs and maintenance	(478)	(236)
Communal door ramps	(2,350)	-
Communal electrics upgrade	(1,285)	
Communal TV aerial upgrade	(424)	(3,250)
Asbestos Report	(474)	-
Sundry	(94)	(119)
Companies House fees	(42)	(45)
Accountancy	(650)	(629)
	<u>(11,990)</u>	<u>(10,435)</u>
Ground rent	(1,950)	(1,950)
Total expenditure	<u>(13,940)</u>	<u>(12,385)</u>
Operating profit	14,540	15,985
Add Interest receivable (note 7)	339	628
<b>Retained profit prior to transfer to reserves</b>	<u>14,879</u>	<u>16,613</u>
Transfer to Designated Roof Fund (note 8)	(4,800)	(4,800)
<b>Transfer to General Reserves (note 8)</b>	<u>10,079</u>	<u>11,813</u>

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2011**

**12 Income and Expenditure Account**

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

<b>Income:</b>	<b>2011</b>	<b>2010</b>
	£	£
<b>Service Charges receivable from tenants</b>		
Service Charges	25,050	24,330
Additional income	3,390	3,390
<b>Total</b>	<b>28,440</b>	<b>27,720</b>
Interest (net of tax)	339	628
Other Income: - lease transfer fees	40	650
<b>Total Income</b>	<b>28,819</b>	<b>28,998</b>

**Expenditure:**

**Repairs and Maintenance**

Communal TV aerial upgrade	424	3,250
Communal door ramps	2,350	0
Asbestos report	474	0
Communal electric upgrade	1,285	0
Other repairs and maintenance	1,308	1,286
	<b>5,841</b>	<b>4,536</b>

**Grounds Maintenance**

2,148 2,148

**Professional Fees**

Accountancy fees	650	629
Accountancy Section 21 report	-	-
	<b>650</b>	<b>629</b>

**Insurance**

3,112 2,890

**Utilities**

Electric	103	68
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**General Expenses**

Postage and Stationery	94	119
Companies House Fees	42	45
	<b>136</b>	<b>164</b>

**Total Expenditure**

11,990 10,435

Plus Ground Rent 1,950 1,950

Surplus at end of accounting period 14,879 16,613

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

**Surplus Transferred to Reserves** **10,079** **11,813**

**Balancing Statement**

	<b>2011</b>	<b>2010</b>
	£	£
<b>Assets</b>		
Sums paid in this period but relating to a subsequent period	2,170	1,878
Service Charges not yet received	2,110	166
Cash at bank	57,354	46,979
	<b>61,634</b>	<b>49,023</b>
<b>Liabilities</b>		
Service Charges received in advance	(80)	(4,594)
Leaseholders' RTE fund	(1,812)	(1,788)
Charminster Close Residents Company Ltd share capital	(30)	(30)
Costs relating to this or previous period but not yet paid	(2,791)	(569)
<b>Current Liabilities</b>	<b>(4,713)</b>	<b>(6,981)</b>
<b>Net Assets</b>	<b>56,921</b>	<b>42,042</b>

Designated Reserve brought forward	14,400	9,600
Designated reserve roof repairs from current year	4,800	4,800
	<b>19,200</b>	<b>14,400</b>
Reserves brought forward	27,642	15,829
Transfer to reserves	10,079	11,813
Surplus to reserves	37,721	27,642
<b>Reserve Funds</b>	<b>56,921</b>	<b>42,042</b>