

# **Charminster Close Residents Company Ltd**

Financial Statements for the year ended

31 December 2014

Company Number 01274809

# **Charminster Close Residents Company Ltd**

**YEAR ENDED 31ST DECEMBER 2014**

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**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED (Registered number 01274809)**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2014**

The Directors submit their report together with the financial statements for the year ended 31st December 2014.

**PRINCIPAL ACTIVITIES**

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

The terms that the company operates under include:

- 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.
- d) the Memorandum and Articles of Association of the company.

**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 has appointed Charminster Close Resident's Company Ltd to manage the property on its behalf of the leaseholders.

**Current year**

The Service Charge for the calendar year 2014 was £996 (2013: £996) inclusive of annual ground rent of £65 (2013: £65). This is payable in four instalments on the usual quarter days commencing 25 December 2013. The company will also accept either 12 monthly instalments of £83 (2013: £83) or £936 (2013: £936) annually if paid in full, in advance no later than 31 December of the preceding year assuming there no arrears brought forward.

During 2014 work included; the removal of an unsound wall in the grounds, erection of railings on the site boundary, fitting of entrance carpets on the ground floor of each block and a second set of handrails installed to the communal stairs in line with current building regulations. The insurance renewal premium was higher due to a high level of claims during the previous year. A new cleaning contractor was appointed during the year. The grounds are maintained on a communal basis and continue to benefit from replanting and tree maintenance during the year.

**2015**

During 2015 work will include installation of additional communal floor coverings, lighting renewal and grounds maintenance.

**DIRECTORS**

The following directors held office during the whole period from 1 January 2014 to the date of this report.

Philip George Harwood

John Robert Morris

BY ORDER OF THE BOARD



John R Morris FCMA CGMA AIRPM

Director

12 January 2015

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED (Registered number 01274809)**

**Income Statement**

**For the year ended 31 December:-**

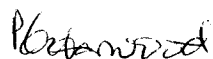
		<b>2014</b>	<b>2013</b>
	Note	£	£
TURNOVER	2	29,540	29,951
Operating charges	11	(22,273)	(26,412)
<b>OPERATING SURPLUS</b>		<b>7,267</b>	<b>3,539</b>
Interest receivable	7	614	322
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	8	<b>7,881</b>	<b>3,861</b>

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED (Registered number 01274809)**

**Balancing Statement as at:-**

		31st December 2014		31st December 2013	
	Note	£	£	£	£
<b>Current Assets</b>					
Cash at Bank		78,978		74,833	
Debtors	3	3,180		3,178	
		<u>82,158</u>		<u>78,011</u>	
<b>Creditors : Amounts falling due within one year</b>	4	(14,983)		(18,717)	
Net Current Assets			67,175		59,294
Total Assets Less Current Liabilities			<u><u>67,175</u></u>		<u><u>59,294</u></u>
<b>Capital and Reserves</b>					
Called up share capital	5	30		30	
<b>Shareholders' Funds - equity interests</b>		<u>30</u>		<u>30</u>	
Service Charge reserves	8	33,545		30,464	
Designated Reserve (roof fund)	8	33,600		28,800	
<b>Service Charge reserves</b>	12	<u>67,145</u>		<u>59,264</u>	
<b>Total</b>			<u><u>67,175</u></u>		<u><u>59,294</u></u>

- a. For the year ending 31 December 2014 the company was entitled to exemption 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:
- 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 12 January 2015

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED (Registered number 01274809)**

**Cash flow statement**

	Note	2014 £	2013 £
Net cash inflow from operating activities	9	3,531	13,753
<b>Returns on investments and servicing of finance</b>			
Interest received	7	614	322
Increase in cash		<u>4,145</u>	<u>14,075</u>

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED (Registered number 01274809)**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2014**

**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>31.12.14</u>	<u>31.12.14</u>	<u>31.12.13</u>	<u>31.12.13</u>
		£		£
Service Charges		26,130		26,130
Other income:				
Instalment fees	1,200		1,200	
Ground Rent	1,950		1,950	
Other: including debt collection fees and door entry fobs.	260	3,410	671	3,821
		<u>29,540</u>		<u>29,951</u>

**3 DEBTORS**

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
Trade Debtors (outstanding Service Charges)	0	601
Other Debtors	75	25
Prepaid expenses	3,105	2,552
	<u>3,180</u>	<u>3,178</u>

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

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
Accrued expenses	1,617	7,840
Leaseholders' RTE fund	1,997	1,857
Service Charges received in advance	11,369	9,020
	<u>14,983</u>	<u>18,717</u>

**5 SHARE CAPITAL**

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
<u>Allotted, called up and paid:</u>		
ordinary shares of £1 each	30	30

**6 RELATED PARTY TRANSACTIONS**

During the year John Morris together with his wife Diana Morris were employed by the company and each paid £1,337 (2013: £1,300) as a Management Fee. Accounting Services Ltd a company partly owned by John Morris charged £720 (2013: £674) including VAT in accountancy fees. These amounts are included as part of the relevant costs in the Income and Expenditure account.

**7 INTEREST RECEIVABLE**

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
Bank Interest	614	220
Interest on Service Charges	-	102
	<u>614</u>	<u>322</u>

**CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED (Registered number 01274809)**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2014**

**8 RECONCILIATION OF RESERVES**

	Total	Service Charges allocated as:	
	£	Designated	Non-Designated
	£	£	£
As at 1st January 2014	59,264	28,800	30,464
Retained surplus for the year	7,881	4,800	3,081
As at 31st December 2014	<u>67,145</u>	<u>33,600</u>	<u>33,545</u>

The Designated Reserve is a sinking fund established to provide funds to maintain the flat roofs. The directors consider that this fund will be sufficient to provide for the costs to the next re-roofing works anticipated in about 2023 at a cost estimated at £72,000.

**9. - 10.**

**NOTES TO THE CASH FLOW STATEMENT**

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

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
Operating surplus	7,267	3,539
Increase in debtors (note 3)	(2)	(513)
(Decrease)/Increase in operating creditors (note 4)	<u>(3,734)</u>	<u>10,727</u>
<b>Net cash inflow from operating activities</b>	<u>3,531</u>	<u>13,753</u>

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

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
Balance brought forward	74,833	60,758
Net cash inflow	<u>4,145</u>	<u>14,075</u>
Balance at year-end	<u>78,978</u>	<u>74,833</u>

**11 Detailed Income and Expenditure**

	<u>31.12.14</u>	<u>31.12.13</u>
	£	£
Total Income (note 2)	29,540	29,951
Service Charge expenditure:		
Insurance	(4,699)	(3,842)
Electricity	(171)	(665)
Cleaning	(1,967)	(2,280)
Grounds maintenance	(4,218)	(2,848)
Paving	-	(1,850)
Repairs and maintenance	(4,837)	(2,915)
CCTV system	(359)	(187)
Management Fees	(2,675)	(2,600)
Boundary railings	-	(6,029)
Roof maintenance	(312)	-
Communal TV aerial system	(186)	(371)
Sundry	(105)	(127)
Companies House and Data Protection fees	(74)	(74)
Accountancy	<u>(720)</u>	<u>(674)</u>
	(20,323)	(24,462)
Ground rent	<u>(1,950)</u>	<u>(1,950)</u>
Total expenditure	<u>(22,273)</u>	<u>(26,412)</u>
Operating surplus	7,267	3,539
Add Interest receivable (note 7)	614	322
<b>Retained surplus prior to transfer to reserves</b>	<u>7,881</u>	<u>3,861</u>
Transfer to Designated Roof Fund (note 8)	(4,800)	(4,800)
<b>Transfer to/(from) General Reserves (note 8)</b>	<u>3,081</u>	<u>(939)</u>