

Charminster Close Residents Company Ltd

Financial Statements for the year ended

31 December 2008

Company Number 01274809

Charminster Close Residents Company Ltd

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2008

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CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2008

The Directors submit their report together with the financial statements for the year ended 31st December 2008.

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 2008 were agreed by members at the Annual General Meeting held on 30 November 2006 at £888 per year (2007, £840) inclusive of annual ground rent at £65, (2007 £65) payable in monthly instalments of £74 or £828 annually if paid in full in advance by 1 January.

During 2008 the largest item of expenditure at £9,085 was on new communal entrance doors to replace the original wooden doors. The work was completed following a Section 20 consultation notice. The properties were re-roofed early in 2007 and a new sinking fund was established this year to be funded at £4,800 per annum in order to meet the next re-roofing costs anticipated in about 2023. The grounds are managed on a communal basis and further replanting and tree maintenance took place towards the end of the year. The directors wish to thank the gardening contractor as the grounds benefited from his continuing excellent work.

2009

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.

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.

AUDIT

The company has taken advantage of The Companies Act 1985 (Audit Exemptions) Regulations 1994 (SI 1994/1935).

DIVIDENDS

No dividends were paid or proposed during the year (2007 Nil)

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2008

COMMONHOLD AND LEASEHOLD REFORM ACT 2002

Sections 152 and 156 of the Commonhold and Leasehold Reform Act are likely to be commenced during 2009. Items that these sections are likely to require include:

That service charge transactions cease to be shown within the accounts of the Company, as Service Charge 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 clear 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.

An Income and Expenditure Report and Balancing Statement be produced within six months of a year end in a format similar to that shown on page 8 of the notes to these accounts.

RESERVES

During the year ended 31 December 2008 the company's reserves increased by £5,093 (2007, £30). £4,800 has been used from the designated roof repair reserve towards roof repairs (2007, £4,000 deducted) and £293 transferred (2007, £4,030) 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 at the next AGM

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

BY ORDER OF THE BOARD

John R Morris FCMA AIRPM

Director

31 January 2009

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED			
Profit and Loss Account		2008	2007
For the year ended 31 December:-			
	Note	£	£
Turnover from continuing operations	2	26,760	25,640
Operating charges		(21,957)	(25,888)
Operating Profit/(Loss) from continuing operations		4,803	(248)
Interest receivable	7	290	278
Retained profit	8	5,093	30

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:-	Note	31st December 2008		31st December 2007	
		£	£	£	£
Current Assets					
Cash at Bank		29,028		15,248	
Debtors	3	2,081		2,552	
		31,109		17,800	
Creditors : Amounts falling due within one year	4	(13,666)		(5,450)	
Net Current Assets			17,443		12,350
Total Assets Less Current Liabilities			17,443		12,350
Capital and Reserves					
Called up share capital	5		30		30
Shareholders' Funds - equity interests			30		30
Service Charge reserves	8		12,613		12,320
Designated Reserve (roof fund)	8		4,800		-
Service Charge reserves	12		17,413		12,320
Total			17,443		12,350

For the year to 31 December 2008 the company was entitled to the exemption conferred by subsection (1) of section 249A. of the Companies Act 1985. No notice has been deposited under subsection (2) of section 249B in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for a) ensuring that the company keeps accounting records which comply with section 221 of The Companies Act 1985, and b) preparing accounts which give a fair and true view of the state of the company as at the end of the financial year and of its profit and loss for the year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts so far as applicable to the company.

Janet Hawkins

Director

The financial statements were approved by the board of directors on 31 January 2009

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED			
Cash flow statement	Note	2008	2007
		£	£
Net cash inflow/(outflow) from operating activities	9	13,490	(9,328)
Returns on investments and servicing of finance			
Interest received	7	290	278
Increase/(Decrease) in cash		13,780	(9,050)

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2008

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>2008</u>	<u>2008</u>	<u>2007</u>	<u>2007</u>
		£		£
Service Charges		22,890		21,450
Other income:				
Instalment fees	1,320		1,440	
Ground Rent	1,950		1,950	
Assignment fees	600	3,870	800	4,190
		<u>26,760</u>		<u>25,640</u>

3 DEBTORS

	<u>2008</u>	<u>2007</u>
	£	£
Trade Debtors (outstanding Service Charges)	118	505
Prepaid expenses	1,963	2,047
	<u>2,081</u>	<u>2,552</u>

4 CREDITORS: Amounts falling due within one year

	<u>2008</u>	<u>2007</u>
	£	£
Accrued expenses	5,928	1,304
Leaseholders' RTE fund	1,700	-
Service Charges received in advance	6,038	4,146
	<u>13,666</u>	<u>5,450</u>

5 SHARE CAPITAL

	<u>2008</u>	<u>2007</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>2008</u>	<u>2007</u>
	£	£
Bank Interest (net of tax)	227	204
Interest on Service Charges	63	74
	<u>290</u>	<u>278</u>

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2008

8 RECONCILIATION OF PROFIT AND LOSS RESERVES

	Total £	Service Charges allocated as:	
		Designated £	Non-Designated £
As at 1st January 2008	12,320	-	12,320
Retained profit for the year	5,093	4,800	293
As at 31st December 2008	<u>17,413</u>	<u>4,800</u>	<u>12,613</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

<i>9 Reconciliation of operating profit to operating cash flows</i>	<u>2008</u>	<u>2007</u>
	£	£
Operating profit/(loss)	4,803	(248)
Decrease/(Increase) in debtors (note 3)	471	(445)
Increase/(Decrease) in operating creditors (note 4)	8,216	(8,635)
Net cash outflow from operating activities	<u>13,490</u>	<u>(9,328)</u>

<i>10 Analysis of changes in cash during the year.</i>	<u>2008</u>	<u>2007</u>
	£	£
Balance brought forward	15,248	24,298
Net cash inflow/(outflow)	13,780	(9,050)
Balance at year-end	<u>29,028</u>	<u>15,248</u>

11 Detailed Profit & Loss	<u>2008</u>	<u>2007</u>
	£	£
Total Income (note 2)	26,760	25,640
Service Charge expenditure:		
Insurance	(3,041)	(3,075)
Electricity	(82)	(267)
Cleaning	(960)	(950)
Grounds maintenance	(3,526)	(3,573)
Repairs and maintenance	(2,539)	(689)
Communal doors	(9,085)	-
Roof maintenance	-	(14,629)
Sundry	(154)	(149)
Companies House fees	(45)	(30)
Accountancy	(575)	(576)
	<u>(20,007)</u>	<u>(23,938)</u>
Ground rent	(1,950)	(1,950)
Total expenditure	<u>(21,957)</u>	<u>(25,888)</u>
Operating profit/(loss)	4,803	(248)
Add Interest receivable (note 7)	290	278
Retained profit prior to transfer (to)/from reserves	<u>5,093</u>	<u>30</u>
Transfer (to)/from Designated Roof Fund (note 8)	(4,800)	4,000
Transfer to General Reserves (note 8)	<u>293</u>	<u>4,030</u>

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2008

12 Income and Expenditure Account

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

Income:	2008	2007
	£	£
Service Charges receivable from tenants		
Service Charges	22,890	21,450
Additional income	3,270	3,390
Total	26,160	24,840
Interest (net of tax)	290	278
Other Income: - lease transfer fees	600	800
Total Income	27,050	25,918
Expenditure:		
Repairs and Maintenance		
Roof maintenance	-	14,629
Communal doors	9,085	
Other repairs and maintenance	3,499	1,639
	<u>12,584</u>	<u>16,268</u>
Grounds Maintenance	3,526	3,573
Professional Fees		
Accountancy fees	575	576
Accountancy Section 21 report	-	-
	<u>575</u>	<u>576</u>
Insurance	3,041	3,075
Utilities		
Electric	82	267
General Expenses		
Postage and Stationery	154	149
Companies House Fees	45	30
	<u>199</u>	<u>179</u>
Total Expenditure	20,007	23,938
Plus Ground Rent	1,950	1,950
Surplus at end of accounting period	5,093	30
Surplus transferred (to)/from designated roof repair sinking fund	(4,800)	4,000
Surplus Transferred to Reserves	293	4,030
Balancing Statement	2008	Actual
	£	£
Assets		
Sums paid in this period but relating to a subsequent period	1,963	2,047
Service Charges not yet received	118	505
Cash at bank	29,028	15,248
	<u>31,109</u>	<u>17,800</u>
Liabilities		
Service Charges received in advance	(6,038)	(4,146)
Leaseholders' RTE fund	(1,700)	-
Charminster Close Residents Company Ltd loan	(30)	(30)
Costs relating to this or previous period but not yet paid	(5,928)	(1,304)
Current Liabilities	(13,696)	(5,480)
Net Assets	17,413	12,320
Designated reserve roof repairs from current year	4,800	-
Reserves brought forward	12,320	8,290
Surplus to reserves	293	4,030
Reserve Funds	17,413	12,320