

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
Company Number 01274809

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

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

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

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:

- 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 2010

CHARMINSTER CLOSE RESIDENTS COMPANY LIMITED

Cash flow statement	Note	2009	2008
		£	£
Net cash inflow from operating activities	9	2,447	13,490
Returns on investments and servicing of finance			
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> 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 £	Service Charges allocated as:	
		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
Net cash inflow from operating activities	<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)
Cummunal 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
Retained profit prior to transfer to reserves	<u>8,016</u>	<u>5,093</u>
Transfer to Designated Roof Fund (note 8)	(4,800)	(4,800)
Transfer to General Reserves (note 8)	<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*

Income:	2009		2008
	£		£
Service Charges receivable from tenants			
Service Charges	23,610		22,890
Additional income	3,330		3,270
Total	26,940		26,160
Interest (net of tax)	303		290
Other Income: - lease transfer fees	0		600
Total Income	27,243		27,050
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
	9,888		12,584
Grounds Maintenance	3,560		3,526
Professional Fees			
Accountancy fees	610		575
Accountancy Section 21 report	-		-
	610		575
Insurance	2,935		3,041
Utilities			
Electric	84		82
General Expenses			
Postage and Stationery	155		154
Companies House Fees	45		45
	200		199
Total Expenditure	17,277		20,007
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)
Surplus Transferred to Reserves	3,216		293
Balancing Statement			
	2008		Actual
	£		£
Assets			
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
	35,106		31,109
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)
Current Liabilities	(9,677)		(13,696)
Net Assets	25,429		17,413
Designated Reserve brought forward	4,800		0
Designated reserve roof repairs from current year	4,800		4,800
	9,600	9,600	4,800
Reserves brought forward	12,613		12,320
Transfer to reserves	3,216		293
Surplus to reserves	15,829	15,829	12,613
Reserve Funds	25,429		17,413