

Haydon Court (North) Residents Company Limited

Report of the Directors and unaudited Financial Statements for the year ended

30 September 2018
Company No 01179854

Haydon Court (North) Residents Company Limited

FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2018

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HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 30th SEPTEMBER 2018

The Directors submit their report together with the financial statements for the year ended 30th September 2018.

PRINCIPAL ACTIVITIES

The principal activity of the company is to manage, maintain and administer land and buildings at Helmsdale, Swindon. The company operates on behalf of the leaseholders who are members of the company in accordance with the terms of the leases and relevant company law.

BUSINESS REVIEW

Service charges for leaseholders for the year to 30 September 2018 were £820 per property (2017 - £800) payable in equal quarterly instalments. In addition ground rent of £65 (2017:£65) is payable to the company by the majority of leaseholders. The company holds a head-lease with the freeholder and pays an annual ground rent of £1,560 (2017: £1,560). The company failed to collect ground rent from its members in previous financial years and paid the head lease ground rent from the service charge reserves.

At the Annual General Meeting on 26 April 2018 members agreed to increase the service charges for 2018/19 to £1,000 a year in order to build service charge reserves to a level equal to approximately two years service charge income.

During the year the managing agents contacted the landlord who had extended two member's leases but had failed to properly account for the income received. As a result the company has withheld ground rent payments to the landlord. The landlord must correct its breach of lease by entering into a new lease at a lower ground rent to take into account the reduction in ground rent payable by two leaseholders who have extended their leases and are now only due to pay a peppercorn (zero) ground rent. The landlord has advised that with subsequent lease extensions a portion of the premium received will be paid to the company although the ground rent payable by the company to the landlord will remain the same. The portion received by the company is shown in the accounts as deferred income as part of creditors and will be used to partly off-set part of the difference between the ground rent paid by the company and the lower amount received by the company from leaseholders.

SERVICE CHARGE ACCOUNTS

The directors have produced the statutory accounts for the year to show the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to the members.

DIRECTORS

The directors shown below held office from 1 October 2017 to the date of this report.

James Phillip D'Avilla
Alan Parker
Lynne Sidney

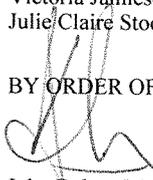
The directors shown below held office from 1 October 2017 and retired on 2 July 2018.

Kevin Anthony Barnes
Michael James Bradley
Jane Elizabeth Crowley
Rosalind Nancy Joy Doubleday
Lee John Hasting
Ivy Kathleen Margaret Heath
Victoria Jamieson
Gregory Keith Jones
David Water Leggett
Jennifer Eileen Litherland
Elizabeth Malley
Elizabeth Manning
Adrian Moore
Jeremy Nicholas Waldren
Shaun David Watts
Gavin Ian Waugh

The directors shown below held office as at 1 October 2017 and retired prior to the date of this report.

Victoria Jamieson - retired 28 March 2018
Julie/Claire Stockton-Hill - retired 31 May 2018

BY ORDER OF THE BOARD


John Robert Morris FCMA CGMA MIRPM
Company Secretary
31 October 2018

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

Income Statement

For the year ended 30 September 2018

		2018	2017
	Notes	£	£
TURNOVER	2	21,310	19,200
Administrative expenses	11	(14,192)	(16,253)
OPERATING SURPLUS		<u>7,118</u>	<u>2,947</u>
Interest receivable and similar income	7	419	2
RETAINED SURPLUS FOR THE FINANCIAL YEAR	8	<u><u>7,537</u></u>	<u><u>2,949</u></u>

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

Balancing Statement as at 30 September 2018

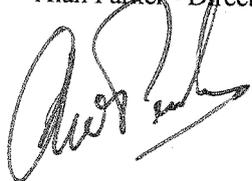
	Notes	30th September 2018		30th Septembere 2017	
		£	£	£	£
CURRENT ASSETS					
Cash at Bank		18,898		3,626	
Debtors	4	<u>3,259</u>		<u>4,947</u>	
		22,157		8,573	
CREDITORS					
Amounts falling due within one year	5	(8,182)		(2,135)	
NET CURRENT ASSETS			13,975		6,438
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>13,975</u></u>		<u><u>6,438</u></u>
RESERVES					
Called up share capital	3		24		24
Designated reserve (roof fund)	8		7,200		2,400
Service charge reserves	8		6,751		4,014
Leaseholders' Funds			<u><u>13,975</u></u>		<u><u>6,438</u></u>

- a. For the year ending 30 September 2018 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.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors on 31 October 2018 and signed on their behalf by:

Alan Parker - Director



HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2018**1 ACCOUNTING POLICIES****Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with provisions applicable to companies subject to the small companies' regime and as required under section 21(5) of the Landlord & Tenant Act 1985 and the RICS Service Charge Residential Management Code.

2 STATUTORY INFORMATION

Haydon Court (North) Residents Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and office address can be found on the Directors' Report page.

3 TURNOVER

Turnover represents the amounts derived from the provision of services during the year, exclusive of value added tax.

	<u>30.09.18</u>	<u>30.09.17</u>
	£	£
Service Charges	19,680	19,200
Ground rents	1,560	-
Debt collection fees	70	-
	<u>21,310</u>	<u>19,200</u>

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30.09.18</u>	<u>30.09.17</u>
	£	£
Trade Debtors* - <i>money owed as outstanding Service Charges</i>	1,546	3,325
Payments in advance - <i>prepaid insurance</i>	1,713	1,622
	<u>3,259</u>	<u>4,947</u>

* No 129 £20; No 137 £1,311; No 141 £125; No 143 £90.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30.09.18</u>	<u>30.09.17</u>
	£	£
Accrued expenses - <i>costs incurred but not yet paid</i>	3,303	1,385
Deferred income - <i>ground rent premiums</i>	1,236	-
Service Charges received from leaseholders in advance	3,643	750
	<u>8,182</u>	<u>2,135</u>

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2018

6 RELATED PARTY DISCLOSURES

	30.09.18	30.09.17
Directors - Kevin Anthony Barnes	£	£
Opening balance	(82)	(10)
Charges receivable by the company for the year	885	800
Amount received from director	(1,053)	(872)
Payments received in advance at year end	(250)	(82)
Director - Michael James Bradley	£	£
Opening balance	(121)	(215)
Charges receivable by the company for the year	885	800
Amount received from director	(967)	(706)
Payments received in advance at year end	(203)	(121)
Director - Jane Elizabeth Crowley	£	£
Opening balance	0	0
Charges receivable by the company for the year	885	800
Amount received from directors	(1,950)	(800)
Payments received in advance at year end	(1,065)	0
Director - James Philip D'Avila	£	£
Opening balance	0	(20)
Charges receivable by the company for the year	885	800
Amount received from director	(992)	(780)
Payments received in advance at year end	(107)	0
Director - Rosalind Nancy Joy Doubleday	£	£
Opening balance	0	(105)
Charges receivable by the company for the year	885	800
Amount received from director	(885)	(695)
Closing balance at year end	0	0
Director - Lee John Hastings	£	£
Opening balance	20	0
Charges receivable by the company for the year	885	800
Amount received from director	(780)	(780)
Service Charges outstanding	125	20
Director - Ivy Kathleen Margaret Heath	£	£
Opening balance	20	0
Charges receivable by the company for the year	885	800
Amount received from director	(780)	(780)
Service Charges outstanding	125	20
Director - Victoria Jamieson	£	£
Opening balance	(16)	(75)
Charges receivable by the company for the year	885	800
Amount received from director	(1,049)	(741)
Payments received in advance at year end	(180)	(16)

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2018

Director - Gregory Keith Jones	£	£
Opening balance	60	0
Charges receivable by the company for the year	885	720
Amount received from director	(860)	(660)
Service Charges outstanding	85	60
Director - David Walter Leggett	£	£
Opening balance	0	0
Charges receivable by the company for the year	885	800
Amount received from director	(885)	(800)
Closing balance at year end	0	0
Director - Jennifer Eileen Litherland	£	£
Opening balance	(109)	(10)
Charges receivable by the company for the year	885	800
Amount received from director	(776)	(899)
Payments received in advance at year end	0	(109)
Director - Elizabeth Malley	£	£
Opening balance	(82)	(65)
Charges receivable by the company for the year	885	800
Amount received from director	(803)	(817)
Payments received in advance at year end	0	(82)
Director - Elizabeth Manning	£	£
Opening balance	255	325
Charges receivable by the company for the year	885	800
Amount received from director	(1,050)	(870)
Service Charges outstanding	90	255
Director - Adrian Moore	£	£
Opening balance	800	0
Charges receivable by the company for the year	925	800
Amount received from director	(1,705)	0
Service Charges outstanding	20	800
Director - Alan Parker	£	£
Opening balance	90	(50)
Charges receivable by the company for the year	885	800
Amount received from director	(1,045)	(660)
Payments (received in advance)/outstanding at year end	(70)	90
Director - Julie Claire Stockton-Hill	£	£
Opening balance	0	0
Charges receivable by the company for the year	885	800
Amount received from director	(885)	(800)
Closing balance at year end	0	0
Director - Lynne Sydney	£	£
Opening balance	0	0
Charges receivable by the company for the year	885	800
Amount received from directors	(1,950)	(800)
Payments received in advance at year end	(1,065)	0

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2018

Director - Jeremy Nicholas Waldren	£	£
Opening balance	0	0
Charges receivable by the company for the year	896	800
Amount received from director	(896)	(800)
Closing balance at year end	<u>0</u>	<u>0</u>

Director - Shaun David Watts	£	£
Opening balance	0	70
Charges receivable by the company for the year	885	800
Payments received from director	(885)	(870)
Closing balance at year end	<u>0</u>	<u>0</u>

Director - Gavin Ian Waugh	£	£
Opening balance	1,220	720
Charges receivable by the company for the year	1,247	800
Payments received from director	(1,156)	(300)
Service Charges outstanding at year end	<u>1,311</u>	<u>1,220</u>

7 INTEREST RECEIVABLE

	<u>30.09.18</u>	<u>30.09.17</u>
	£	£
Bank interest	27	2
Interest on overdue service charges	392	-
	<u>419</u>	<u>2</u>

8 SERVICE CHARGE RESERVES

	Total	Service Charges allocated as:	
		Designated	Non-Designated
	£	£	£
As at 1st October 2017	6,414	2,400	4,014
Surplus for the year (note 11)	7,537	4,800	2,737
As at 30th September 2018	<u>13,951</u>	<u>7,200</u>	<u>6,751</u>

The Designated Reserve is a sinking fund established in the 2017 to provide funds to maintain the flat roofs to be funded at the rate of £4,800 a year. The directors consider that at that rate of funding the reserve will be insufficient to provide for the costs to the next re-roofing works anticipated in about 2023 when the fund will stand at £31,200 with the work estimated to cost about £60,000.

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2018**9 - 10. NOTES TO THE CASH FLOW STATEMENT**

9 Reconciliation of operating surplus to operating cash flows	<u>30.09.18</u>	<u>30.09.17</u>
	£	£
Operating surplus	7,118	2,947
Decrease/(increase) in debtors (note 4)	1,688	(3,033)
Increase/(decrease) in operating creditors (note 5)	6,047	(864)
Net cash inflow/(outflow) from operating activities	<u>14,853</u>	<u>(950)</u>

10 Analysis of changes in cash during the year.	<u>30.09.18</u>	<u>30.09.17</u>
	£	£
Balance brought forward	3,626	4,574
Net cash inflow/(outflow) from operating activities (note 9)	14,853	(950)
Interest received	419	2
Balance at year-end	<u>18,898</u>	<u>3,626</u>

The following note does not form part of the statutory accounts:

11 Detailed Income and Expenditure	<u>30.09.18</u>	<u>30.09.17</u>
	Total £	Total £
Total Income (note 2)	21,310	19,200
Maintenance	(1,024)	(2,878)
Window cleaning	(420)	(486)
Cleaning - internal areas	(1,428)	(1,367)
Roof repairs	(200)	0
Grounds maintenance	(3,168)	(3,538)
Communal electricity	(165)	(199)
Accountancy	(600)	(600)
Management fees	(3,036)	(3,036)
Insurance	(2,490)	(2,484)
Companies House fee	(13)	(13)
Sundries - including postage and meeting room hire	<u>(88)</u>	<u>(92)</u>
	(12,632)	(14,693)
Ground rent	<u>(1,560)</u>	<u>(1,560)</u>
Total expenditure	<u>(14,192)</u>	<u>(16,253)</u>
Operating surplus	7,118	2,947
Add interest receivable (note 7)	419	2
Surplus prior to transfer to reserves	<u>7,537</u>	<u>2,949</u>
Transfer to designated roof fund (note 8)	(4,800)	(2,400)
To service charge reserves (note 8)	<u>2,737</u>	<u>549</u>