

Haydon Court (North) Residents Company Limited

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

30 September 2019
Company No 01179854

Haydon Court (North) Residents Company Limited

FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2019

INDEX

PAGE

1	REPORT OF THE DIRECTORS
2	INCOME STATEMENT
3	BALANCING STATEMENT
4 - 5	NOTES TO THE FINANCIAL STATEMENTS

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

REPORT OF THE DIRECTORS

YEAR ENDED 30th SEPTEMBER 2019

The Directors submit their report together with the financial statements for the year ended 30th September 2019.

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 2019 were £1,000 per property (2018 - £820) payable in equal quarterly instalments. In addition ground rent of £65 (2018:£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 £1,430 (2018: £1,560).

At the Annual General Meeting on 26 April 2018 members agreed to increase the service charges for 2018/19 to £1,000 a year per leaseholder in order to establish a fund for future roof repairs and increase general reserves to meet fluctuations in expenditure without large variations in service charges.

During the year repairs were made to the front porches following leaks caused after lead flashing had been stolen several years previously. Electricity costs fell due to the installation of lower energy LED lighting to three of the four blocks in the previous year.

During the previous year the new managing agent had contacted the freeholder as two leaseholders had extended their leases at a peppercorn (zero) ground rent without a change to the headlease to reduce the ground rent paid by the company. The company engaged a solicitor to rectify the failure by requiring the freeholder to enter into a new lease at a lower ground rent taking into account the reduction in ground rent paid by the two leaseholders. The solicitor's costs were met by the freeholder. With subsequent lease extensions the ground rent payable by the company to the freeholder will remain unchanged and a portion of the premium will be paid to the company. These payments are shown in the accounts as deferred income and are discounted over the remaining lease term 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

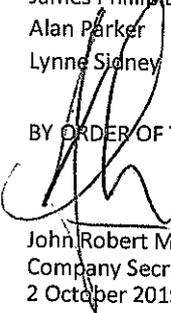
The directors have produced the statutory accounts for the year to show the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to the members.

DIRECTORS

The directors shown below held office from 1 October 2018 to the date of this report.

James Phillip D'Avilla
Alan Parker
Lynne Sidney

BY ORDER OF THE BOARD


John Robert Morris FCMA CGMA MIRPM
Company Secretary
2 October 2019

Registered Office: 15 Windsor Road, Swindon, SN3 1JP
Registered in England No 01179854

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

Income Statement

For the year ended 30 September 2019

		2019	2018
	Notes	£	£
TURNOVER	3	25,751	21,310
Administrative expenses	10	(16,735)	(14,192)
OPERATING SURPLUS		9,016	7,118
Interest receivable and similar income	6	419	419
RETAINED SURPLUS FOR THE FINANCIAL YEAR	7	9,435	7,537

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

Balancing Statement as at 30 September 2019

	Notes	30th September 2019		30th September 2018	
		£	£	£	£
CURRENT ASSETS					
Cash at Bank		25,509		18,898	
Debtors	4	<u>3,693</u>		<u>3,259</u>	
		29,202		22,157	
CREDITORS					
Amounts falling due within one year	5	<u>(5,792)</u>		<u>(8,182)</u>	
NET CURRENT ASSETS			23,410		13,975
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>23,410</u></u>		<u><u>13,975</u></u>
RESERVES					
Called up share capital			24		24
Designated reserve (roof fund)	7		12,000		7,200
Service charge reserves	7		11,386		6,751
Leaseholders' Funds			<u><u>23,410</u></u>		<u><u>13,975</u></u>

a. For the year ending 30 September 2019 the company was entitled to exemption under section 477 of the Companies Act 2006.

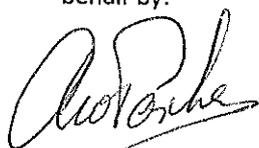
b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

c. The directors acknowledge their responsibility for:

- 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.

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 2 October 2019 and signed on their behalf by:



Afan Parker - Director

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2019**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>30.09.19</u>	<u>30.09.18</u>
	£	£
Service Charges	24,000	19,680
Ground rents	1,426	1,560
Other	325	70
	<u>25,751</u>	<u>21,310</u>

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Trade Debtors* - <i>money owed as outstanding Service Charges</i>	1,604	1,546
Payments made in advance	2,089	1,713
	<u>3,693</u>	<u>3,259</u>

* No 111 £336; No 129 £1,147; No 131 £106; No 143 £15.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Accrued expenses - <i>costs incurred but not yet paid</i>	1,528	3,303
Deferred income - <i>ground rent premiums</i>	1,175	1,236
Service Charges received from leaseholders in advance	3,089	3,643
	<u>5,792</u>	<u>8,182</u>

6 INTEREST RECEIVABLE

	<u>30.09.19</u>	<u>30.09.18</u>
	£	£
Bank interest	207	27
Interest on overdue service charges	212	392
	<u>419</u>	<u>419</u>

The following notes do not form part of the statutory accounts:

HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2019

7 SERVICE CHARGE RESERVES	Total	Service Charges allocated as:	
		Designated	Non-Designated
	£	£	£
As at 1st October 2018	13,951	7,200	6,751
Surplus for the year (note 11)	9,435	4,800	4,635
As at 30th September 2019	23,386	12,000	11,386

The Designated Reserve is a sinking fund established in 2017 to provide funds to maintain the flat roofs. The directors consider that at the current 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 approximately £60,000.

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

8 Reconciliation of operating surplus to operating cash flows	30.09.19	30.09.18
	£	£
Operating surplus	9,016	7,118
(Increase)/decrease in debtors (note 4)	(434)	1,688
(Decrease)/increase in operating creditors (note 5)	(2,390)	6,047
Net cash inflow from operating activities	6,192	14,853

9 Analysis of changes in cash during the year.	30.09.19	30.09.18
	£	£
Balance brought forward	18,898	3,626
Net cash inflow from operating activities (note 9)	6,192	14,853
Interest received	419	419
Balance at year-end	25,509	18,898

10 Detailed Income and Expenditure	30.09.19	30.09.18
	Total	Total
	£	£
Total Income (note 2)	25,751	21,310
Maintenance	-	(1,024)
Window cleaning	(465)	(420)
Cleaning - internal areas	(1,428)	(1,428)
Roof repairs	(2,880)	(200)
Grounds maintenance	(3,894)	(3,168)
Communal electricity	(101)	(165)
Accountancy	(660)	(600)
Management fees	(3,220)	(3,036)
Insurance	(2,578)	(2,490)
Companies House fee	(13)	(13)
Sundries - including postage and meeting room hire	(66)	(88)
	(15,305)	(12,632)
Ground rent	(1,430)	(1,560)
Total expenditure	(16,735)	(14,192)
Operating surplus	9,016	7,118
Add interest receivable (note 6)	419	419
Surplus prior to transfer to reserves	9,435	7,537
Transfer to designated roof fund (note 7)	(4,800)	(2,400)
To service charge reserves (note 7)	4,635	5,137