

# **Haydon Court (North) Residents Company Limited**

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

30 September 2023  
Company No 01179854

# Haydon Court (North) Residents Company Limited

## FINANCIAL STATEMENTS

YEAR ENDED 30th SEPTEMBER 2023

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**HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 30th SEPTEMBER 2023**

The directors submit their report together with the financial statements for the year ended 30th September

**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**

During the year fire safety remedial works were undertaken in accordance with the recommendations of the most recent fire risk assessment. One of the porch roofs was replaced and a specialist asbestos removal company engaged to dispose of the debris.

**SERVICE CHARGE ACCOUNTS**

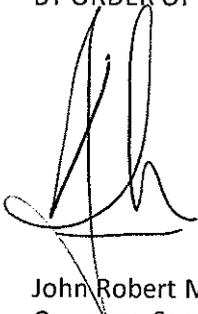
The directors have produced the statutory accounts for the year to show the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to the members.

**DIRECTORS**

The directors shown below held office from 1 October 2022 to the date of this report.

James Phillip D'Avilla  
Darryl James Kiy  
Alan Parker  
Lynne Sidney

BY ORDER OF THE BOARD



John Robert Morris FCMA CGMA MIRPM  
Company Secretary  
9 October 2023

Registered Office:  
15 Windsor Road  
Swindon  
SN3 1JP

Registered in England No 01179854  
[www.helmsdale.rmcweb.site](http://www.helmsdale.rmcweb.site)

## HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED

Registered Number 01179854

### Income Statement

For the year ended 30 September 2023

		2023	2022
	Notes	£	£
<b>TURNOVER</b>	3	28,868	27,815
Administrative expenses	10	(19,143)	(18,070)
<b>OPERATING SURPLUS</b>		<u>9,725</u>	<u>9,745</u>
Interest receivable and similar income	6	1,117	376
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR</b>	7	<u><u>10,842</u></u>	<u><u>10,121</u></u>

**HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED**

Registered Number 01179854

**Balancing Statement as at 30 September 2023**

	Notes	30th September 2023		30th September 2022	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Cash at Bank		71,012		59,219	
Debtors	4	<u>1,998</u>		<u>2,124</u>	
		73,010		61,343	
<b>CREDITORS</b>					
Amounts falling due within one year	5	(9,284)		(8,459)	
<b>NET CURRENT ASSETS</b>			63,726		52,884
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>63,726</u></u>		<u><u>52,884</u></u>
<b>RESERVES</b>					
Called up share capital			24		24
Designated reserve (roof fund)	7		32,400		26,400
Service charge reserves	7		31,302		26,460
<b>Leaseholders' funds</b>			<u><u>63,726</u></u>		<u><u>52,884</u></u>

- a. For the year ending 30 September 2023 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 9 October 2023 and signed on their behalf by:



Darryl James Kiy - Director

**HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED**

Registered Number 01179854

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30th SEPTEMBER 2023****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.

The average number of employees during the year was: none (2022: none)

**3 TURNOVER**

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

	<u>30.09.2023</u>	<u>30.09.2022</u>
	£	£
Service charges	27,456	26,400
Ground rents	1,412	1,415
	<u>28,868</u>	<u>27,815</u>

**4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>30.09.2023</u>	<u>30.09.2022</u>
	£	£
Trade debtors* - <i>money owed as outstanding Service Charges</i>	55	478
Payments made in advance - <i>prepaid insurance</i>	1,943	1,646
	<u>1,998</u>	<u>2,124</u>

\* No 123, £31; No 139, £24

**5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>30.09.2023</u>	<u>30.09.2022</u>
	£	£
Accrued expenses - <i>costs incurred but not yet paid</i>	2,197	1,132
Deferred income - <i>ground rent premiums</i>	4,411	1,014
Service charges received from leaseholders in advance	2,676	6,313
	<u>9,284</u>	<u>8,459</u>

**6 INTEREST RECEIVABLE**

	<u>30.09.2023</u>	<u>30.09.2022</u>
	£	£
Bank interest	1,117	376
Interest on overdue service charges	-	-
	<u>1,117</u>	<u>376</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 2023**

<b>7 SERVICE CHARGE RESERVES</b>	Total £	Service Charges allocated as:	
		Designated £	Non-Designated £
As at 1st October 2022	52,860	26,400	26,460
Surplus for the year (note 11)	10,842	6,000	4,842
As at 30th September 2023	<b>63,702</b>	<b>32,400</b>	<b>31,302</b>

See note 11

<b>8 Reconciliation of operating surplus to operating cash flows</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
	£	£
Operating surplus	9,725	9,745
Decrease in debtors (note 4)	126	3,428
Increase in operating creditors (note 5)	825	3,220
Net cash inflow from operating activities	<b>10,676</b>	<b>16,393</b>

<b>9 Analysis of changes in cash during the year.</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
	£	£
Balance brought forward	59,219	42,450
Net cash inflow from operating activities (note 8)	10,676	16,393
Interest received (note 6)	1,117	376
Balance at year-end	<b>71,012</b>	<b>59,219</b>

<b>10 Detailed Income and Expenditure</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
	Total £	Total £
Total Income (note 3)	28,868	27,815
Maintenance - electrical	(120)	(1,063)
Maintenance - roof repairs	(1,880)	(440)
Maintenance - other	(1,122)	(2,516)
Window cleaning	(420)	(420)
Cleaning - internal areas	(1,575)	(1,428)
Grounds maintenance	(4,428)	(2,917)
Fly-tipping	-	(185)
Communal electricity	(219)	(282)
Fire Risk report	(325)	-
Accountancy	(720)	(720)
Management fees	(4,032)	(3,720)
Insurance - buildings	(2,490)	(2,772)
Insurance - directors & officers	(157)	(118)
Insurance - rebuild cost assessment	(180)	-
Companies House fee	(13)	(13)
Sundries - including postage and meeting room hire	(32)	(46)
	<b>(17,713)</b>	<b>(16,640)</b>
Ground rent (note 11)	(1,430)	(1,430)
Total expenditure	<b>(19,143)</b>	<b>(18,070)</b>
Operating surplus	9,725	9,745
Add interest receivable (note 6)	1,117	376
Surplus prior to transfer to reserves	<b>10,842</b>	<b>10,121</b>
Transfer to designated roof fund (note 7)	(6,000)	(4,800)
To service charge reserves (note 7)	<b>4,842</b>	<b>5,321</b>

**HAYDON COURT(NORTH) RESIDENTS COMPANY LIMITED**

Registered Number 01179854

**11 Other Information**

**Ground Rent**

The company holds a head lease (a rental agreement for the site) with the freeholder that runs from 24 June 1974 for 99 years and ten days to 3 July 2073. Ground rent was payable by the company to the freeholder in advance on quarter days each year at £1,560 a year (24 apartments x £65) until 2034 when the ground rent increases to £2,880 a year (£120 per apartment) until the end of the lease.

The 24 apartments have under leases with the company that originally all ran from 24 June 1974 for 99 years until 23 June 2073. Ground rent is payable by leaseholders to the company in advance on quarter days each year, at £65 a year until 2039 when the ground rent increases to £120 a year per apartment until the end of the lease.

**Initial Lease Extensions**

The freeholder entered into a 90 year statutory lease extension with 2 of the 24 leaseholders reducing their ground rent to a peppercorn (£0.00). However, the freeholder failed to change the ground rent due from the company under the head lease. Following its appointment, the current managing agent arranged for the freeholder to enter into a deed of variation to correct this error. The freeholder refunded the excess ground rent charged to the company and reduced the annual ground rent collected from the company to £1,430 which is equal to 22 leases at £65 a year.

**Subsequent lease extensions**

Three leaseholders have subsequently extended their leases by 90 years with a peppercorn (£0.00) ground rent by paying a premium to the freeholder whilst the total ground rent payable by the company under the head lease remained unchanged. In addition to a premium of £1,236 received in 2018 the company received total of £3,444 from two leaseholders during the year as part of the premium paid by them to the freeholder to extend their leases. These payments were received by the company as compensation for the loss of future ground rent income from those apartments. The sum received is shown in the accounts as deferred income in Debtors. The amount received is discounted over the term of the original lease and each year the discount amount is shown as part of ground rent. At the end of the year the deferred income receivable for the three leases was £4,411 (2022: - one lease: £1,014). This discounted amount is less than the remaining ground rent due on the leases as it is discounted over the remaining term of the lease. The shortfall in the year was £17.93 (2022: £14.80) and will increase each year. The shortfall in ground rent is paid equally by all leaseholders as part of their service charge costs regardless of whether they have extended their leases.

**Service charges**

The leaseholders have appointed a professional local managing agent to manage the site on their behalf. The managing agent advises the company on the level of service charges based on forecast expenditure.

**Commissions and kickbacks**

No commissions or kick-backs of any kind are received by the managing agent or any of the directors.

**Reserves**

**Designated Reserve - roof**

The designated reserve is a sinking fund established in 2017 to provide funds to replace the flat roofs at the end of their expected life. During the year the directors increased the annual rate of funding from £4,800 to £6,000. This will produce a reserve fund of £68,400 by September 2029 which is anticipated to be the approximate cost dependant on when the work is required and costs at the time.

**Non - designated Reserves**

The non-designated reserve is designed to cover unexpected expenditure requirements and temporary income deficiencies so that service charges do not vary significantly from year to year. The directors consider that the company should aim to maintain non-designated reserves at level similar to two years of service charge income.