

Brock End RTM Company Ltd

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

30 September 2017

Company limited by guarantee No 08808206

Brock End RTM Company Ltd

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2017

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BROCK END RTM COMPANY LTD

REPORT OF THE DIRECTORS

YEAR ENDED 30 SEPTEMBER 2017

The directors submit their report together with the financial statements for the year ended 30th September 2017.

PRINCIPAL ACTIVITIES

The principal activity of the company is to manage, maintain and administer land and buildings at Brock End, Swindon. The company is a "Right To Manage" (RTM) company operating under the standard Articles of Association as determined by the Commonhold and Leasehold Reform Act 2002.

BUSINESS REVIEW

The Right to Manage was exercised by individual blocks on the following dates; Croft House and Newport House on 1 May 2015, Southwich House on 1 November 2016 and during the year Betjeman House and Scott House from 1 April 2017. The landlord's managing agent should hand over all uncommitted service charge funds and records when the Right To Manage is exercised. Only part of the funds for Newport House and Croft House have been received leaving an estimated £1,370 due as shown in these accounts. No funds or records have been received for Southwich House, Betjeman House or Scott House. In the absence of accounts from the freeholder the directors have been unable to estimate with any degree of certainty the amount due and have therefore not included this amount as receivable within the accounts.

The service charge for the year to 30 September 2017 was agreed by members at £1,200 (2016: £1,300) per property for Croft House and Newport House. A service charge of £650 was made to each of the leaseholders at Southwich House, Betjeman House and Scott House for the half-year from 1 April 2017 on the assumption that the landlord would pass over and account for the service charges made in advance for the first six months of the financial year. As these funds were not received the surplus for the three new blocks was only £180 in total.

During the year the non-functioning door entry system on one side of Southwich House and at Betjeman House was replaced with a modern door access control system. The process of changing the internal lighting to motion activated LED lights combined with emergency lights was continued during the year and will be completed for all five blocks by the end of next year. This will provide safer, more efficient lighting at a lower cost. The external rainwater drainage at Betjeman House was re-routed away from the building as it was draining into the cellar. The communal Wi-Fi system was extended to include the newly managed blocks. The electricity supplier was changed to Green Energy UK who has a lower tariff than the previous supplier. The electricity meters for individual blocks were also properly identified and recorded as these were previously shown on the national database as being in different blocks. The company has paid all communal estate electricity costs from 1 May 2015 and has allocated costs for previous years to the three blocks that exercised Right To Manage during the year. Vilett's House has incurred a total of £193 of estate electricity from 1 May 2015 and this will be allocated to the service charge reserves for Vilett's House in 2018 as the leaseholders of that block exercised Right To Manage on 1 January 2018. The gardener was engaged to maintain all of the grounds during the year and the company assumed responsibility for maintaining the vehicular gate during the year. Gate force-test regulations are due to be introduced during 2018 and the gate will require upgrading to meet the new regulations.

SERVICE CHARGE ACCOUNTS

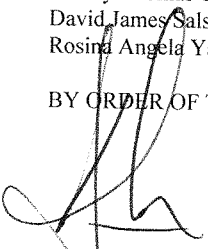
The directors have produced the statutory accounts for the year showing the service charge accounts passing through the company as they consider the company is acting as a principal rather than agent to the members.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2016 to the date of this report.

Ashley Thomas Cain
David James Salsbury
Rosina Angela Yalden

BY ORDER OF THE BOARD


John R Morris FCMA CGMA MIRPM
Company Secretary
24 May 2018

Registered Office:
15 Windsor Road
Swindon
SN3 1JP

BROCK END RTM COMPANY LTD

Registered Number 08808206

Income Statement

For the year ended 30 September 2017

		2017	2016
	Notes	£	£
TURNOVER	2	28,050	15,600
Administrative expenses	10	(20,198)	(8,859)
OPERATING SURPLUS		<u>7,852</u>	<u>6,741</u>
Interest receivable and similar income	6	270	276
RETAINED SURPLUS FOR THE FINANCIAL YEAR	7	<u><u>8,122</u></u>	<u><u>7,017</u></u>

BROCK END RTM COMPANY LTD

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Balancing Statement as at 30 September 2017

	Notes	30 September 2017		30 September 2016	
		£	£	£	£
CURRENT ASSETS					
Cash at Bank		33,289		29,065	
Debtors	3	<u>11,280</u>		<u>5,231</u>	
		44,569		34,296	
CREDITORS					
Amounts falling due within one year	4	(7,188)		(5,037)	
NET CURRENT ASSETS			37,381		29,259
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>37,381</u></u>		<u><u>29,259</u></u>
RESERVES					
Service charge reserves	7		37,381		29,259
Leaseholders' Funds			<u><u>37,381</u></u>		<u><u>29,259</u></u>

a. For the year ending 30 September 2017 the company was entitled to exemption under section 477 of the Companies Act 2006.

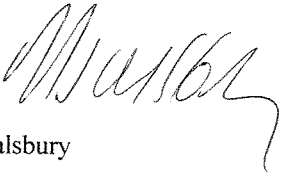
b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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.


David Salsbury

Director

The financial statements were approved by the board of directors on 24 May 2018.

BROCK END RTM COMPANY LTD

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Cash flow statement	Note	2017 £	2016 £
Net cash inflow from operating activities	8	3,954	6,748
Returns on investments and servicing of finance			
Interest received	6	270	276
Increase in cash		<u>4,224</u>	<u>7,024</u>

BROCK END RTM COMPANY LTD

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2017

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>30.09.17</u>	<u>30.09.16</u>
	£	£
Service Charges receivable for year	28,050	15,600

3 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30.09.17</u>	<u>30.09.16</u>
	£	£
Trade Debtors (<i>outstanding Service Charges</i>)	5,635	405
Other Debtors (<i>estimated uncommitted Service charges receivable from landlord</i>)	1,370	1,370
Other Debtors	913	2,546
Payments in advance (<i>prepaid insurance cover</i>)	3,362	910
	<u>11,280</u>	<u>5,231</u>

4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30.09.17</u>	<u>30.09.16</u>
	£	£
Accrued expenses (costs not yet paid)	2,856	1,437
Other creditors	4,332	-
Service charges received from leaseholders in advance	0	3,600
	<u>7,188</u>	<u>5,037</u>

5 RELATED PARTY DISCLOSURES

	<u>30.09.17</u>	<u>30.09.16</u>
	£	£
<u>Rosina Yalden - director</u>		
Balance b/f	-	-
Service Charges due from director	5,450	5,200
Received during year	(5,450)	(5,200)
Balance due at year-end	<u>0</u>	<u>0</u>
<u>David Salisbury - director</u>		
Balance b/f	-	(1,300)
Service Charges due from director	2,400	2,600
Received during year	(2,400)	(1,300)
Balance due at year-end	<u>0</u>	<u>0</u>

6 INTEREST RECEIVABLE

	<u>30.09.17</u>	<u>30.09.16</u>
	£	£
Bank Interest	270	276

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2017**7 SERVICE CHARGE RESERVES**

	Total	Croft House	Newport House	Southwich House	Scott House	Betjeman House
	£	£	£	£	£	£
As at 1st October 2016	29,259	15,367	13,892	0	0	0
Surplus for year (note 10)	8,122	3,727	4,215	(33)	1,186	(973)
As at 30th September 2017	<u>37,381</u>	<u>19,094</u>	<u>18,107</u>	<u>(33)</u>	<u>1,186</u>	<u>(973)</u>

The directors consider that service charge reserves should be maintained at a level equal to approximately 2 years service charge income in order to avoid large fluctuations in service charge demands from year to year.

8. - 9.

NOTES TO THE CASH FLOW STATEMENT**8 Reconciliation of operating surplus to operating cash flows**

	<u>30.09.17</u>	<u>30.09.16</u>
	£	£
Operating surplus	7,852	6,741
Increase in debtors (note 3)	(6,049)	(726)
Increase in operating creditors (note 4)	2,151	733
Net cash (outflow)/inflow from operating activities	<u>3,954</u>	<u>6,748</u>

9 Analysis of changes in cash during the year.

	<u>30.09.17</u>	<u>30.09.16</u>
	£	£
Balance brought forward	29,065	22,041
Net cash inflow	4,224	7,024
Balance at year-end	<u>33,289</u>	<u>29,065</u>

10 The following note does not form part of the statutory accounts**Detailed Income and Expenditure**

	Croft House	Newport House	11 months Southwich House	6 months Scott House	6 months Betjeman House	<u>30.09.17</u> Total
	£	£	£	£	£	£
Total Income (note 2)	7,200	7,200	7,800	3,250	2,600	28,050
Cleaning	(532)	(532)	(975)	(222)	(177)	(2,438)
Window Cleaning	(87)	(87)	(160)	(37)	(29)	(400)
Electricity - communal areas	(124)	(124)	(369)	(54)	(84)	(755)
Building maintenance	(375)	(377)	(140)	(396)	(1,326)	(2,614)
Door Access system	-	-	(1,091)	-	(750)	(1,841)
Professional fees	-	-	(646)	(323)	(323)	(1,292)
Electrical maintenance	(490)	-	(496)	(47)	(93)	(1,126)
Insurance - buildings	(665)	(665)	(1,218)	(277)	(222)	(3,047)
Insurance - D&O	(20)	(20)	(36)	(8)	(7)	(91)
Electricity - estate	(93)	(93)	(187)	(78)	(62)	(513)
electricity for prior years	-	-	(275)	(114)	(92)	(481)
Gate maintenance	(14)	(14)	(26)	(6)	(5)	(65)
Site maintenance	(100)	(100)	(183)	(42)	(33)	(458)
Grounds maintenance	(316)	(316)	(580)	(132)	(106)	(1,450)
Accounts	(157)	(157)	(288)	(66)	(52)	(720)
Managing agent	(563)	(563)	(1,032)	(234)	(188)	(2,580)
Company registration fees	(36)	(36)	(67)	(15)	(12)	(166)
Sundries	(36)	(36)	(64)	(13)	(12)	(161)
	<u>(3,608)</u>	<u>(3,120)</u>	<u>(7,833)</u>	<u>(2,064)</u>	<u>(3,573)</u>	<u>(20,198)</u>
Operating surplus	3,592	4,080	(33)	1,186	(973)	7,852
Add interest received (note 6)	135	135	0	0	0	270
To/(from) reserves	<u>3,727</u>	<u>4,215</u>	<u>(33)</u>	<u>1,186</u>	<u>(973)</u>	<u>8,122</u>

BROCK END RTM COMPANY LTD

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NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2017*The following note does not form part of the statutory accounts***10 Detailed Income and Expenditure - prior year**

	Croft House £	Newport House £	Southwich House £	Scott House £	Betjeman House £	30.09.16 Total £
Total Income (note 2)	7,800	7,800	-	-	-	15,600
Cleaning	(430)	(430)	-	-	-	(860)
Window Cleaning	(88)	(88)	-	-	-	(176)
Electricity - communal areas	(103)	(103)	-	-	-	(206)
Building maintenance	(685)	(681)	-	-	-	(1,366)
Door Access system	-	(1,151)	-	-	-	(1,151)
Electrical maintenance	-	-	-	-	-	-
Insurance	(658)	(658)	-	-	-	(1,316)
Electricity - estate	(74)	(74)	-	-	-	(148)
Gate maintenance	-	-	-	-	-	-
Site maintenance	(375)	(375)	-	-	-	(750)
Grounds maintenance	(450)	(450)	-	-	-	(900)
Accounts	(201)	(201)	-	-	-	(402)
Managing agent	(780)	(780)	-	-	-	(1,560)
Company registration fees	(6)	(6)	-	-	-	(12)
Sundries	(6)	(6)	-	-	-	(12)
	(3,856)	(5,003)	-	-	-	(8,859)
Operating surplus	3,944	2,797	-	-	-	6,741
Add Interest received (note 6)	138	138	-	-	-	276
To Service Charge Reserves	4,082	2,935	-	-	-	7,017