

# **Sweet Briar Court Management Limited**

Report of the Directors and Financial Statements for the Year Ended

31 March 2018  
Company Number 02592305

# **Sweet Briar Court Management Limited**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2018**

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**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST MARCH 2018**

The Directors submit their report together with the financial statements for the year ended 31st March 2018.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

**Principal activities**

The principal activities of the company are to manage, maintain and administer the land and leasehold buildings at 1-101 (odd numbers only) Farriers Close, Swindon.

The company operates under the terms of:

- a) the leases entered into between the company, leaseholders and the freeholder
- b) the deeds of covenant between freeholders of houses at Farriers Close and the company.
- c) the Memorandum and Articles of Association of the company.

The company's members are the leaseholders of the 30 flats and owners of 20 houses at Farriers Close, Swindon, a total of 50 properties. In order to meet the expenses of maintaining the site the company charge its members an annual Service Charge. This is made up as follows:

**Common Areas:**

Expenditure relating to "Common Areas" (grounds maintenance and other shared expenses of running the management company). The charge relating to Common Areas is allocated and paid equally between the 50 properties. 1/50th per property.

**Common Parts:**

The 30 flat leaseholders additionally pay equally for expenditure that relates to "Common Parts" (maintenance and insurance of the communal or shared areas of the flats ) 1/30th per flat leaseholder.

**Business review**

The three current directors were appointed shortly before the start of the financial year. Each one is a member of the company and offered their services as a director due to their concerns regarding unsatisfactory levels of maintenance of the site and high costs. The directors appointed a new managing agent on 1 April 2017 and have worked together to make a number of new contractor appointments from the start of the year to address the poor state of the buildings and the site. Savings of over £19,000 in annual costs have been made. These savings are being invested in much needed improvements to the site and buildings. The savings include a reduction of over; £6,680 in insurance costs, £5,140 in managing agents fees, £3,330 in cleaners fees, £2,600 in gardener's fees and the new window cleaners charge over £1,440 less than the previous window cleaners. The directors consider that each provides a superior service than their predecessor. The new managing agents do not charge or take commission on any of the services they arrange.

**Common Areas:**

The new directors considered the previous standard of grounds maintenance to be poor and were concerned at the lack of maintenance of the exterior lighting. The new gardener appointed on 1 April 2017 has trimmed the overgrown hedges and made significant improvements to the grounds. An arborologist has removed several large trees from the site where there was concern that they might affect the foundations of the buildings in the future. The street lighting circuits in the lamp posts were found to be corroded. These were repaired and new energy efficient bright LED light bulbs installed to provide good lighting to the car parking areas. Uneven paving on the site has been levelled.

The communal areas require further investment to bring them up to a reasonable standard. This includes new planting and hedging to the boundary of the site. The directors propose that CCTV should be installed to improve security and discourage fly-tipping.

**Common Parts:**

The new directors considered that the standard of cleaning and maintenance of the common parts was poor. The communal areas have improved considerably since the new cleaners were appointed and no longer appear neglected. The under stairs cupboards have been emptied of their contents (including cans of petrol) due to the fire risk and locked. Many of the internal communal lights were not working and in one block none were working at all. The unreliable vacuum time delay light switches were removed in the year and the lights replaced with modern LED motion sensor activated lighting with built in emergency lights. The communal fire doors did not close fully and the intumescent fire strips were missing from them. The rear fire doors were bolted locked. These issues were rectified during the year. Each of the communal doors needs replacing and the door locks were found to be unsecure. The directors agreed that a new door access control system should be fitted to two of the five blocks in the year with the remaining three scheduled for the next financial year. The communal front doors will be replaced over the next few years. During the year the communal doors were re-painted to help prolong their useful life until they can be replaced. No evidence of any previous communal Electrical Installation Inspection Reports existed and therefore reports were commissioned during the year for each of the blocks. These are available together with other information on the company website.

**SERVICE CHARGE ACCOUNTS**

The directors have produced the statutory accounts for the period 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.

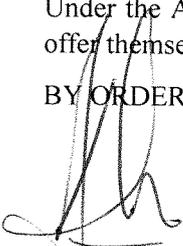
**DIRECTORS**

The directors who have held office during the period from 1 April 2017 to the date of this report are as follows:

Carl Bellinger  
Michael John Griffen  
Janet Lesley Hawkins

Under the Articles of Association all serving directors are due to retire at the next Annual General Meeting and may offer themselves for re-election.

BY ORDER OF THE BOARD



John R Morris FCMA CGMA MIRPM  
Company Secretary  
12 April 2018

Registered office: 15 Windsor Road, Swindon SN3 1JP  
[www.farriersclose.rmcweb.site](http://www.farriersclose.rmcweb.site)

**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305**

**Income Statement**

**For the year ended 31 March 2018**

		<b>31.03.18</b>	<b>31.03.17</b>
	Note	£	£
Turnover	2	44,040	49,081
Operating charges		(28,281)	(40,023)
<b>Operating surplus</b>		<b>15,759</b>	<b>9,058</b>
Interest receivable	7	199	115
<b>Retained surplus for the year</b>	8	<b>15,958</b>	<b>9,173</b>

**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305**

<b>Balance Sheet</b>		<b>31.03.18</b>		<b>31.03.17</b>	
<b>31 March 2018</b>	Notes	£	£	£	£
<b>Current Assets</b>					
Cash at Bank		48,992		0	
Debtors	3	2,600		31,541	
		<u>51,592</u>		<u>31,541</u>	
<b>Creditors:</b>					
<b>Amounts falling due within one year</b>	4	(6,587)		(2,494)	
Net Current Assets			<u>45,005</u>		<u>29,047</u>
Total Assets Less Current Liabilities			<u><u>45,005</u></u>		<u><u>29,047</u></u>
<b>Capital and Reserves</b>					
Called up share capital	5		<u>500</u>		<u>500</u>
<b>Shareholders' funds - equity interests</b>			500		500
Service Charge reserves:					
Common Areas	8		(261)		(2,093)
Common Parts	8		44,766		30,640
<b>Service Charge reserves</b>			<u>44,505</u>		<u>28,547</u>
<b>Total shareholders' funds</b>			<u><u>45,005</u></u>		<u><u>29,047</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- a) ensuring the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- b) 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 each financial year, in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, 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 12 April 2018 and were signed on its behalf by:



Carl Bellinger - Director

**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305**

<b>Cash flow statement</b>		<b>2018</b>	<b>2017</b>
	Note	£	£
Net cash inflow/(outflow) from operating activities	9	48,793	(29,069)
<b>Returns on investments and servicing of finance</b>			
Interest receivable	7	199	115
Increase/(decrease) in cash		<u>48,992</u>	<u>(28,954)</u>

**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2018**

**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 under the historical cost convention and in accordance with the financial Reporting Standard for Smaller Entities (effective January 2015) and as required under section 21(5) of the Landlord & Tenant Act 1985 and the RICS Service Charge Residential Management Code. The accounts for the previous year have been re-stated on a consistent basis.

**2 TURNOVER**

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

	<u>31.03.18</u>	<u>31.03.18</u>	<u>31.03.17</u>	<u>31.03.17</u>
	£	£	£	£
	Common Areas	Common Parts	Common Areas	Common Parts
Service Charges:	15,600	28,440	17,490	31,591
Total receivable		<u>44,040</u>		<u>49,081</u>

**3 DEBTORS**

	<u>31.03.18</u>	<u>31.03.17</u>
	£	£
Trade debtors - <i>outstanding service charges*</i>	1,690	0
Other debtors <i>GEM Estates</i>	0	30,828
Prepaid expenses (insurance premium)	910	713
	<u>2,600</u>	<u>31,541</u>

\*Nos 35, £1,008.00; No 67, £630.00; No 93 £51.55

**4 CREDITORS: Amounts falling due within one year**

	<u>31.03.18</u>	<u>31.03.17</u>
	£	£
Accrued expenses	1,159	2,494
Service charges received in advance	5,428	0
	<u>6,587</u>	<u>2,494</u>

**5 SHARE CAPITAL**

	<u>31.03.18</u>	<u>31.03.17</u>
	£	£
<u>Allotted, issued and fully paid:</u>		
50 Ordinary shares each of £10 nominal value	500	500

**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2018**

**6 RELATED PARTY TRANSACTIONS**

	<b><u>31.03.18</u></b>	<b><u>31.03.17</u></b>
<b>Carl Bellinger - Director</b>		
Service charges paid for the year.	1,260.00	1,402.83
<b>Michael John Griffen - Director</b>		
Service charges paid for the year.	1,260.00	1,402.83
<b>Janet Lesley Hawkins - Director</b>		
Service charges paid for the year.	1,260.00	1,402.83

No amounts were due from, or to, any of the directors at the end of the year (2017: none)

**7 INTEREST RECEIVABLE**

	<b><u>31.03.18</u></b>	<b><u>31.03.17</u></b>
	£	£
Bank interest receivable	199	115

**8 RECONCILIATION OF RESERVES**

	Total £	Service Charges Reserves:	
		Common Areas £	Common Parts £
Balance brought forward	28,547	(2,093)	30,640
Retained surplus for the year	15,958	1,832	14,126
<b>Balance at year-end</b>	<b><u>44,505</u></b>	<b><u>(261)</u></b>	<b><u>44,766</u></b>

**RESERVE POLICY**

The directors consider it is prudent to hold a reserve equal of about of two years service charges income to meet expensive irregular items of expenditure without the need for large variations in the level of Service Charges from year to year.

9. - 10.

**NOTES TO THE CASH FLOW STATEMENT**

***9 Reconciliation of operating surplus to operating cash flows***

	<b><u>31.03.18</u></b>	<b><u>31.03.17</u></b>
	£	£
Operating surplus	15,759	9,058
Decrease/(increase) in debtors (note 3)	28,941	(28,171)
Increase/(decrease) in operating creditors (note 4)	4,093	(9,956)
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>48,793</u></b>	<b><u>(29,069)</u></b>

***10 Analysis of changes in cash during the year.***

	<b><u>31.03.18</u></b>	<b><u>31.03.17</u></b>
	£	£
Balance brought forward	0	28,954
Net cash inflow/(outflow)	48,992	(28,954)
<b>Balance at year-end</b>	<b><u>48,992</u></b>	<b><u>0</u></b>

**SWEET BRIAR COURT MANAGEMENT LIMITED - Registered number 02592305****NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2018**

The following note does not form part of the statutory financial statements:

11 Detailed Income & Expenditure	<u>31.03.18</u>	<u>31.03.18</u>	<u>31.03.17</u>	<u>31.03.17</u>
	£	£	£	£
	Common Areas	Common Parts	Common Areas	Common Parts
Total Income (note 2)	15,600	28,440	17,490	31,591
Service charge expenditure:				
Grounds maintenance	(6,042)		(8,070)	
Refuse clearance	(470)		(222)	
Companies House fees	(13)		(13)	
Accountancy	(720)		(720)	
Management fees	(4,725)		(9,868)	
Site maintenance	(274)		-	
Sundry	(37)		(251)	
Insurance - Directors & Officers	(133)		-	
Electricity communal lighting*	(705)	(176)	(724)	(181)
Insurance - Site and buildings **	(307)	(2,764)	(976)	(8,781)
Maintenance - electrical	(342)	(2,560)	-	(341)
Buildings valuation		-		(792)
Maintenance - buildings		(5,580)		(1,645)
Cleaning		(1,443)		(4,680)
Roof repairs		(1,750)		(876)
Window cleaning		(240)		(1,283)
Professional fees		-		(600)
<b>Total expenditure</b>	<b>(13,768)</b>	<b>(14,513)</b>	<b>(20,844)</b>	<b>(19,179)</b>
Operating surplus/(deficit)	1,832	13,927	(3,354)	12,412
Add interest receivable (note 7)		199		115
<b>Transfer to/(from) reserves (note 8)</b>	<b>1,832</b>	<b>14,126</b>	<b>(3,354)</b>	<b>12,527</b>

\*The directors have allocated 80% of the total electricity costs to the common parts being the estimated cost for exterior lighting.

\*\*The directors have allocated 10% of the total insurance premium to the common areas being estimated cost for public liability.