

# **McArthur Court (Swindon) Management Company Limited**

Report of the Directors and Financial Statements for the Year Ended

31 December 2018  
Company Number 04705202

# McArthur Court (Swindon) Management Company Limited

## FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2018

### INDEX

PAGE

1	REPORT OF THE DIRECTORS
2	INCOME STATEMENT
3	BALANCING STATEMENT
4 - 6	NOTES TO THE FINANCIAL STATEMENTS

**McArthur Court (Swindon) Management Company Limited - Registered number 04705202**

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2018**

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

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

**Principal activities**

The principal activities of the company are to manage, maintain and administer land and leasehold buildings at McArthur Court, comprising Padstow Road and Saltash Road, 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 on the site and the company.
- c) the Articles of Association of the company.

The company's members are the leaseholders of 197 apartments and 17 coach houses together with the freeholders of 73 houses at McArthur Court, Swindon, a total of 287 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:

**Estate Charges:**

All 287 members pay towards expenditure relating to the estate, this includes grounds maintenance and shared expenses of running the management company.

**Apartment Charges:**

The 197 apartment members pay towards expenditure relating to expenditure "Common Parts" (including maintenance and insurance of the communal areas of the apartment buildings), of these 35 members are charged directly by the freeholder leaving 162 charged by the company.

**Lifts:**

The 11 apartment leaseholders with a lift in their building pay equally for expenditure relating specifically to the lift.

**Coach Houses:**

The 17 coach house leaseholder members pay towards expenditure relating specifically to "Coach House charges", of these 3 member's are charged directly by the freeholder leaving 14 charged by the company.

**Ground Rent:**

The company charges ground rent to 162 apartment and 14 coach house members. This income is paid in total to the freeholder.

**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. The previous year's accounts have been re-stated on a consistent basis.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of these accounts.

Anthony Edward Clarkson

Andrew Stephen Crellin

Graham John Robinson

Jane Elizabeth Russell

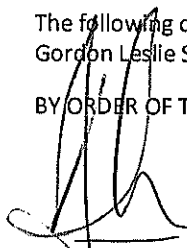
The following director was appointed after 31 December 2017:

Stuart Barriball - appointed 10 March 2018

The following director held office from 1 January 2018 and resigned before the date of these accounts:

Gordon Leslie Smith - resigned 27 August 2019

BY ORDER OF THE BOARD



John R Morris FCMA CGMA MIRPM - Company Secretary  
23 September 2019

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

**McArthur Court (Swindon) Management Company Limited**  
**Registered number 04705203**

**Income Statement**

**For the year ended 31 December 2018**

		<b>31.12.18</b>	<b>31.12.17</b>
	Note	£	£
Turnover	3	214,599	214,606
Operating charges	10	(145,858)	(183,801)
<b>Operating surplus</b>		<b>68,741</b>	<b>30,805</b>
Interest receivable	6	496	5
<b>Retained surplus for the year</b>	7	<b>69,237</b>	<b>30,810</b>

**McArthur Court (Swindon) Management Company Limited**  
**Registered number 04705203**

<b>Balancing Statement</b>		<b>31.12.18</b>		<b>31.12.17</b>	
<b>31 December 2018</b>	Notes	£	£	£	£
<b>Current Assets</b>					
Cash at Bank		311,432		201,683	
Debtors	4	36,021		58,134	
		<u>347,453</u>		<u>259,817</u>	
<b>Creditors:</b>					
<b>Amounts falling due within one year</b>	5	(49,518)		(31,119)	
Net Current Assets			<u>297,935</u>		<u>228,698</u>
Total Assets Less Current Liabilities			<u><u>297,935</u></u>		<u><u>228,698</u></u>
<b>Capital and Reserves</b>					
Service Charge reserves:					
Estate	7		19,277		23,811
Apartments	7		259,292		187,849
Lifts	7		9,253		8,414
Coach Houses	7		10,113		8,624
<b>Total members' funds</b>			<u><u>297,935</u></u>		<u><u>228,698</u></u>

For the year ending 31 December 2018 the company was entitled to exemption under section 477 of the Companies Act 2006.

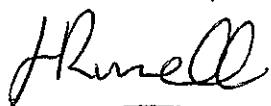
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

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 23 September 2019 and were signed on its behalf by:



Jane Elizabeth Russell

**McArthur Court (Swindon) Management Company Limited - Registered number 04705202****NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 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.

**2 STATUTORY INFORMATION**

McArthur Court (Swindon) Management Company Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered 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.

	<b>31.12.18</b>		<b>31.12.17</b>
	£		£
Service charges:			
Estate charges ( <i>all 287 properties</i> )	53,671		53,676
Apartment charges ( <i>162 properties</i> )	129,297		129,300
Lift charges ( <i>11 properties</i> )	2,069		2,069
Coach Houses ( <i>14 properties</i> )	3,402	188,439	3,401
Ground rent		26,160	26,160
		<b>214,599</b>	<b>214,606</b>

**4 DEBTORS**

	<b>31.12.18</b>		<b>31.12.17</b>
	£		£
Trade debtors ( <i>outstanding ground rent and service charges</i> )	24,497		41,767
Other debtors ( <i>insurance claims recoverable</i> )	2,511		233
Prepaid expenses ( <i>expenses paid in advance relating to following year</i> )	9,013		16,134
	<b>36,021</b>		<b>58,134</b>

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

	<b>31.12.18</b>		<b>31.12.17</b>
	£		£
Accrued expenses ( <i>expenses unpaid at the year-end</i> )	15,479		11,119
Other creditors - <i>service charges received in advance</i>	34,039		20,000
	<b>49,518</b>		<b>31,119</b>

**6 INTEREST RECEIVABLE**

	<b>31.12.18</b>		<b>31.12.17</b>
	£		£
Bank interest receivable	496		5

**7 RECONCILIATION OF RESERVES**

	Balance brought forward	(Deficit)/ surplus	Reserves at year-end
	£	£	£
Estate charges	23,811	(4,534)	19,277
Apartment charges	187,849	71,443	259,292
Lift charges	8,414	839	9,253
Coach Houses	8,624	1,489	10,113
	<b>228,698</b>	<b>69,237</b>	<b>297,935</b>

**RESERVE POLICY**

The directors consider it is prudent to hold reserves of at least two years service charge income to meet large irregular items of expenditure without the need for large variations in the level of service charges from year to year.

**McArthur Court (Swindon) Management Company Limited - Registered number 04705202**

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

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

<b>8 Reconciliation of operating surplus to operating cash flows</b>	<b><u>31.12.18</u></b>	<b><u>31.12.17</u></b>
	£	£
Operating surplus	68,741	30,805
Decrease in debtors (note 4)	22,113	28,721
Increase in operating creditors (note 5)	18,399	16,328
<b>Net cash inflow from operating activities</b>	<b><u>109,253</u></b>	<b><u>75,854</u></b>

<b>9 Analysis of changes in cash during the year.</b>	<b><u>31.12.18</u></b>	<b><u>31.12.17</u></b>
	£	£
Balance brought forward	201,683	125,824
Net cash inflow/(outflow) from operating activities (note 8)	109,253	75,854
Interest received (note 6)	496	5
<b>Balance at year-end</b>	<b><u>311,432</u></b>	<b><u>201,683</u></b>

**10 Detailed Income & Expenditure**

Current year	<b><u>31.12.18</u></b>	<b><u>31.12.18</u></b>	<b><u>31.12.18</u></b>	<b><u>31.12.18</u></b>	<b><u>31.12.18</u></b>	<b><u>31.12.18</u></b>
	Ground rents	Estate	Apartments	Lifts	Coach Houses	Total
	£	£	£	£	£	£
Income (note 3)	26,160	53,671	129,297	2,069	3,402	188,439

Service charge expenditure:

Grounds maintenance	-	(18,720)	-	-	-	(18,720)
Refuse collection	-	(633)	-	-	-	(633)
Electrical maintenance	-	(840)	(135)	-	-	(975)
Water	-	(133)	-	-	-	(133)
Maintenance	-	(2,817)	(15,804)	(1,002)	-	(19,623)
Accountancy	-	(3,900)	-	-	-	(3,900)
Professional fees	-	(205)	-	-	-	(205)
Management fees	-	(29,819)	-	-	-	(29,819)
Insurance - site and buildings*	-	(1,087)	(18,739)	-	(1,913)	(21,739)
Insurance - engineering	-	-	-	(228)	-	(228)
Insurance - directors and officers	-	(368)	-	-	-	(368)
Bank charges	-	(119)	-	-	-	(119)
Sundry	-	(60)	-	-	-	(60)
Electricity	-	-	(5,863)	-	-	(5,863)
Cleaning	-	-	(17,313)	-	-	(17,313)
Ground rent to freeholder	(26,160)	-	-	-	-	(26,160)
<b>Total expenditure</b>	<b><u>(26,160)</u></b>	<b><u>(58,701)</u></b>	<b><u>(57,854)</u></b>	<b><u>(1,230)</u></b>	<b><u>(1,913)</u></b>	<b><u>(145,858)</u></b>
Operating (deficit)/surplus	<u>0</u>	(5,030)	71,443	839	1,489	42,581
Add interest receivable (note 6)		496	-	-	-	496
<b>Transfer (from)/ to reserves (note 7)</b>		<b><u>(4,534)</u></b>	<b><u>71,443</u></b>	<b><u>839</u></b>	<b><u>1,489</u></b>	<b><u>69,237</u></b>

\*The directors have allocated 5% of the insurance premium to the common areas.

**McArthur Court (Swindon) Management Company Limited - Registered number 04705202**

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

**10 Detailed Income & Expenditure**

Previous year	<u>31.10.17</u>	<u>31.10.17</u>	<u>31.10.17</u>	<u>31.10.17</u>	<u>31.10.17</u>	<u>31.10.17</u>
	Ground rents	Estate	Apartments	Lifts	Coach Houses	Total
	£	£	£	£	£	£
Total Income (note 3)	26,160	53,676	129,300	2,069	3,401	188,446
Service charge expenditure:						
Grounds maintenance	-	(18,120)	-	-	-	(18,120)
Refuse collection	-	(5,708)	-	-	-	(5,708)
Electrical maintenance	-	-	(2,748)	-	-	(2,748)
Water	-	(77)	-	-	-	(77)
Maintenance to site	-	(3,794)	(24,272)	(1,851)	-	(29,917)
Accountancy	-	(3,900)	-	-	-	(3,900)
Professional fees	-	(2,886)	-	-	-	(2,886)
Management fees	-	(30,022)	-	-	-	(30,022)
Insurance - site and buildings*	-	(1,458)	(24,971)	-	(2,719)	(29,148)
Insurance - engineering	-	-	-	(324)	-	(324)
Insurance - directors and officers	-	(1,085)	-	-	-	(1,085)
Bank charges	-	(132)	-	-	-	(132)
Sundry	-	(1,181)	-	-	-	(1,181)
Electricity	-	-	(15,092)	-	-	(15,092)
Cleaning	-	-	(17,301)	-	-	(17,301)
Ground rent to freeholder	(26,160)	-	-	-	-	(26,160)
<b>Total expenditure</b>	<b>(26,160)</b>	<b>(68,363)</b>	<b>(84,384)</b>	<b>(2,175)</b>	<b>(2,719)</b>	<b>(183,801)</b>
Operating (deficit)/surplus	<u>0</u>	<u>(14,687)</u>	<u>44,916</u>	<u>(106)</u>	<u>682</u>	<u>4,645</u>
Add interest receivable (note 6)		5	-	-	-	5
<b>Transfer (from)/ to reserves (note 7)</b>		<b>(14,682)</b>	<b>44,916</b>	<b>(106)</b>	<b>682</b>	<b>30,810</b>

\* The directors have allocated 5% of the insurance premium to the common areas.