

R. Mead Phase 1 (Swindon) Management Company Limited

Report of the Directors and Financial Statements for the Year Ended

31 December 2024

Company Number 05467331

R. Mead Phase 1 (Swindon) Management Company Limited

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2024

INDEX

PAGE

1 - 2	REPORT OF THE DIRECTORS
3	INCOME STATEMENT
4	BALANCING STATEMENT
5 - 7	NOTES TO THE FINANCIAL STATEMENTS

R. Mead Phase 1 (Swindon) Management Company Limited - Registered number 05467331

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2024

The directors submit their report together with the financial statements for the year ended 31st December 2024.

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 Florey Court and Peony House, Old Town Swindon.

The company operates under the terms of:

A head lease entered into between the freeholder and the company.

The leases entered into between the company, leaseholders and the freeholder

The Memorandum and Articles of Association of the company.

The company's members are the leaseholders of the 79 apartments on the site. In order to meet the expenses of maintaining the site the company charge its members an annual Service Charge in accordance with the terms of their leases.

Ground Rent:

Ground rent is payable by leaseholders which has to be collected by the company and passed to the freeholder. (see note 12 for further details).

Freehold Fund:

The leases permit the company to collect payments towards a freehold fund to be used to purchase the freehold for the benefit of leaseholders. (see note 12 for further details).

BUSINESS REVIEW

During the year the company purchased a further three secure steel communal entrance doors with the intention that the remaining doors will be replaced over the next two years. The communal lighting continues to be updated with modern integrated movement sensor and combined LED and emergency units. The door access control system was extended to the three bicycle stores and final two bin areas. The carport timber frames were re-stained and general maintenance work undertaken including installation of a new intercom system in block 7-15.

Right to Manage

The leaseholders acquired the Right To Manage via *Florey Court and Peony House RTM Company Ltd* on 27 June 2023 which enables the company to place buildings insurance at competitive rates rather than having to use the freeholder's nominated insurer.

Freehold Fund

As agreed with leaseholders, the company collects a contribution of 15% of the service charge towards a freehold fund (see note 12 d.) Interest received on funds held on deposit is allocated between the service charge reserve and the freehold fund based on the respective balances in each fund as at the start of the year.

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. In the interests of openness and transparency the full accounts have been produced including a detailed statement of income and expenditure.

R. Mead Phase 1 (Swindon) Management Company Limited - Registered number 05467331

REPORT OF THE DIRECTORS

YEAR ENDED 31ST DECEMBER 2024

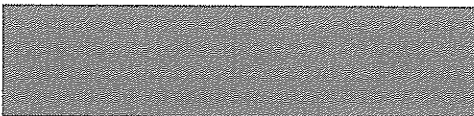
DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2024 to the date of these accounts.

Matthew Bentley
Andrew James Drinkwater
Debra Jaye Evans
James Jonathan Evans

Under the Articles of Association one third of directors must retire by rotation every three years together with any director appointed by the board since the previous members' meeting and may offer themselves for re-election.

BY ORDER OF THE BOARD



John R Morris FCMA CGMA MTPI
Company Secretary
14 January 2025

Registered office:
15 Windsor Road
Swindon
SN3 1JP

www.florey.rmcweb.site

R. Mead Phase 1 (Swindon) Management Company Limited

Registered number 05467331

Income Statement

For the year ended 31 December 2024

		31.12.2024	31.12.2023
	Note	£	£
Turnover	3	134,541	125,341
Operating charges	10	(98,226)	(97,691)
Operating surplus		36,315	27,650
Interest receivable	6	3,988	2,620
Retained surplus for the year	7	40,303	30,270

R. Mead Phase 1 (Swindon) Management Company Limited

Registered number 05467331

Balancing Statement		31.12.2024		31.12.2023	
		Notes	£	£	£
Current Assets					
Cash at Bank			183,510		123,956
Debtors	4		20,065		18,961
			<u>203,575</u>		<u>142,917</u>
Creditors:					
Amounts falling due within one year	5		(55,682)		(35,327)
Net Current Assets			<u>147,893</u>		<u>107,590</u>
Total Assets Less Current Liabilities			<u><u>147,893</u></u>		<u><u>107,590</u></u>
Capital and Reserves					
Leaseholders' reserves:					
Service charge reserve	7		108,292		84,302
Designated reserve - Freehold fund	7		39,601		23,288
Total leaseholders' funds			<u><u>147,893</u></u>		<u><u>107,590</u></u>

For the year ending 31 December 2024 the company was entitled to exemption under section 477 of the Companies Act 2006.

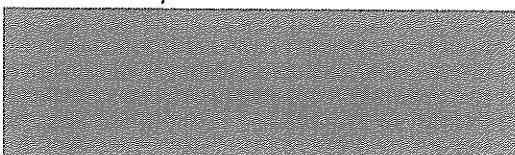
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibility for:

- ensuring the company keeps accounting records which comply with Section 386 and 387 of the Company's Act 2006 and
- 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 surplus or deficit 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 14 January 2025 and were signed on its behalf by:



Debra Jayne Evans - Director

R. Mead Phase 1 (Swindon) Management Company Limited - Registered number 05467331**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2024****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. The accounts for the previous year have been restated on a consistent basis (see note 12d).

2 STATUTORY INFORMATION

R. Mead Phase 1 (Swindon) Management Company Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered office address can be found on the Directors' Report page.

The average number of employees during the year was : none (2023: none)

3 TURNOVER

Turnover represents the amounts derived from the provision of services during the year, exclusive of value added tax, plus collection of ground rent and contributions to a freehold purchase fund as detailed below.

	<u>31.12.2024</u>	<u>31.12.2023</u>
	£	£
Service Charges:	103,000	95,000
Ground Rent	16,091	16,091
Freehold Fund	15,450	14,250
Total receivable	<u>134,541</u>	<u>125,341</u>

4 DEBTORS

	<u>31.12.2024</u>	<u>31.12.2023</u>
	£	£
Trade debtors (outstanding service charges)	1	2
Prepaid expenses (insurance and ground rent to freeholder)	20,064	18,959
	<u>20,065</u>	<u>18,961</u>

5 CREDITORS: Amounts falling due within one year

	<u>31.12.2024</u>	<u>31.12.2023</u>
	£	£
Accrued expenses (expenses incurred but not paid until the following period)	22,259	9,617
Service charges received from leaseholders in advance	33,423	25,710
	<u>55,682</u>	<u>35,327</u>

6 INTEREST RECEIVABLE

	<u>31.12.2024</u>	<u>31.12.2023</u>
	£	£
Bank interest on service charge reserves	3,125	2,324
Bank interest on freehold fund	863	296
	<u>3,988</u>	<u>2,620</u>

7 RECONCILIATION OF RESERVES

	Total	Service Charge	Freehold fund
	£		
Balance brought forward (see note 12 d)	107,590	84,302	23,288
Retained surplus for the year	40,303	23,990	16,313
Balance at year-end	<u>147,893</u>	<u>108,292</u>	<u>39,601</u>

SERVICE CHARGE RESERVE POLICY

The directors consider it is prudent to aim to hold a reserve of at least two years Service Charges income to meet large irregular items of expenditure without the need for large variations in the level of Service Charges from year to year.

FREEHOLD FUND

See note 12 b)

R. Mead Phase 1 (Swindon) Management Company Limited - Registered number 05467331

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2024

8 Reconciliation of operating surplus to operating cash flows	31.12.2024	31.12.2023
	£	£
Operating surplus	36,315	27,650
(Increase)/decrease in debtors (note 4)	(1,104)	2,523
Increase/(decrease) in operating creditors (note 5)	20,355	(4,221)
Net cash inflow from operating activities	55,566	25,952
9 Analysis of changes in cash during the year.	31.12.2024	31.12.2023
	£	£
Balance brought forward	123,956	95,384
Net cash inflow (note 9)	55,566	25,952
Interest received (note 6)	3,988	2,620
Balance at year-end	183,510	123,956
The following note does not form part of the statutory financial statements:		
10 Detailed Income & Expenditure	31.12.2024	31.12.2023
	£	£
Total income (note 3)	134,541	125,341
Less:		
Ground rent payable to freeholder	(16,091)	(16,091)
Less freehold fund	(15,450)	(14,250)
Service charge income	103,000	95,000
Service charge expenditure:		
Grounds maintenance	(4,853)	(3,350)
Site maintenance	(3,580)	(143)
Refuse management	(140)	(519)
Electrical maintenance	(2,845)	(162)
Electrical Installation Condition Reports (5 yearly)	-	(1,140)
Cleaning	(3,900)	(4,521)
Maintenance - building	(3,380)	(2,432)
Maintenance - communal TV system	(685)	-
Maintenance - new communal doors	(12,792)	(14,353)
Maintenance - roof repairs	-	(7,007)
Automatic Opening Vent maintenance	(501)	(425)
Door access control	(5,900)	(1,519)
Insurance - buildings	(20,746)	(24,703)
Insurance - directors & officers	(354)	(321)
Communal electricity	(4,609)	(3,733)
Accounts	(840)	(720)
Management agent fees	(15,888)	(14,703)
Professional fees - Risk Assessment	-	(550)
Professional fees - Acquisition of RTM	(966)	(759)
Professional fees - Fire Door Assessments	-	(408)
Companies House and ICO fees	(69)	(61)
Sundry	(87)	(71)
Total expenditure	(82,135)	(81,600)
Operating surplus (excluding freehold fund)	20,865	13,400
Add interest receivable on service charge funds(note 6)	3,125	(2,324)
Service charge surplus transferred to reserves (note 7)	23,990	11,076
11 Freehold Fund		
Income (note 3)	15,450	14,250
Interest received (note 6)	863	296
Freehold fund surplus transferred to designated reserves (note 7)	16,313	14,546

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2024

12 OTHER INFORMATION

a) Ground Rent

The freehold of the site is owned by Furatto Limited (Company No. 08939347) who purchased the site for £193,097 which is 12 times the annual ground rent charged. The site includes 79 apartments of which 2 are one-bed and 77 two-bed, held on leases granted for 150 years from 1 October 2004. The initial ground rent was £100 a year for a one-bed apartment and £150 a year for a two-bed apartment payable in two equal instalments in advance on 1 January and 1 July each year. The ground rent increases every 10 years in line with the increase in Retail Price Inflation. On 1 October 2014 the ground rent increased to £136.28 for a one-bed and £205.44 a year for a two-bed and is increased during the year in line with the Index of Retail Price Inflation over the ten years to 1 October 2024.

b) Freehold Fund

The leases provide an option for the company to purchase the freehold revision collectively on behalf of leaseholders. This would eliminate ground rent and allow the lease term to be extended (normally to 999 years). The option is available at a "Purchase Price" being the total amount of ground rent payable at the time the option is exercised multiplied by 12. The Sixth Schedule s12 of the lease states that a sum not exceeding 15% of the service charge in any year (excluding this provision) may be charged and collected as a fund for purchasing the freehold of the site.

c) Service Charges

The company has appointed Block Management Ltd, a professional local managing agent to manage the site on its behalf from on 1 February 2023. The managing agent advises the company on the level of service charges based on forecast expenditure and reserve transfers.

d) Commissions and kick-back declaration

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

Debra Evans has declared an interest in the gardening and cleaning contracts as she is a partner in the contractor engaged by the company. She has accordingly absented herself as a director of the company from any decisions regarding these services.