

# McArthur Court (Swindon) Management Company Limited

Report of the directors and Financial Statements for the Year Ended

31 December 2022  
Company Number 04705202



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

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2022**

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

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2022**

The Directors submit their report together with the financial statements for the year ended 31st December 2022.

**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 287 members are the leaseholders of 197 apartments, 17 coach houses and the freeholders of 73 houses at McArthur Court, Swindon. In order to meet the expenses of maintaining the site the company charge its members service charges as follows:

**Estate Charges:**

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

**Apartment Charges:**

The 197 apartment members pay towards expenditure relating to expenditure on the "Common Parts" (including maintenance and insurance of the communal areas of the apartment buildings), of these 35 members in Saltash Road 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 members in Saltash Road are charged directly by the freeholder leaving 14 charged by the company.

**Ground Rent:**

The company is also obliged to collect ground rent from 162 apartment and 14 coach house members. This income is paid in total to the freeholders of the site.

**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.

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

**REPORT OF THE DIRECTORS**

**YEAR ENDED 31ST DECEMBER 2022**

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of these accounts.

Stuart Barriball  
Simon John Sargent

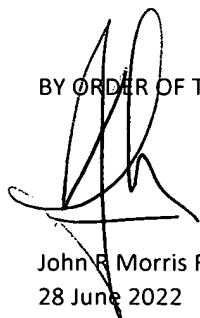
In accordance with the Articles of Association the following directors who held office on 1 January 2022 retired at the members' meeting on 17 November 2022. They were reappointed by members at the adjourned members' meeting on 24 November 2022.

Andrew Stephen Crellin  
Jane Elizabeth Russell

The following directors held office from 1 January 2022 and retired prior to signing these accounts on ceasing to be members of the company.

Anthony Edward Clarkson - retired 10 February 2023  
Debra Jayne Evans - retired 12 April 2023  
Graham John Robinson - retired 6 June 2022

BY ORDER OF THE BOARD



John R Morris FCMA CGMA MIRPM - Company Secretary  
28 June 2022

Registered office:  
15 Windsor Road  
Swindon  
SN3 1JP

Website:  
[www.mcarthurcourt.rmcweb.site](http://www.mcarthurcourt.rmcweb.site)

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

**Income Statement**

**For the year ended 31 December 2022**

		<b>31.12.2022</b>	<b>31.12.2021</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Turnover	3	180,963	192,698
Operating charges	10	(227,798)	(174,574)
<b>Operating (deficit)/surplus</b>		<b>(46,835)</b>	<b>18,124</b>
Interest receivable	6	4,579	2,069
<b>Retained (deficit)/surplus for the year</b>	<b>7</b>	<b>(42,256)</b>	<b>20,193</b>

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

<b>Balancing Statement</b>		<b>31.12.2022</b>		<b>31.12.2021</b>	
<b>31 December 2022</b>	Notes	£	£	£	£
<b>Current Assets</b>					
Cash at Bank		429,544		460,770	
Debtors	4	33,190		27,465	
		<u>462,734</u>		<u>488,235</u>	
<b>Creditors:</b>					
<b>Amounts falling due within one year</b>	5	(75,967)		(59,212)	
Net Current Assets			<u>386,767</u>		<u>429,023</u>
Total Assets Less Current Liabilities			<u><u>386,767</u></u>		<u><u>429,023</u></u>
<b>Capital and Reserves</b>					
Service Charge reserves:	7		386,767		429,023
<b>Total members' funds</b>			<u><u>386,767</u></u>		<u><u>429,023</u></u>

For the year ending 31 December 2022 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 28 June 2022 and were signed on its behalf by:



Jane Elizabeth Russell

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

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2022**

**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.

The average number of employees during the period was: none (2021: none)

**3 TURNOVER**

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

	<u>31.12.2022</u>	<u>31.12.2021</u>
	£	£
Service charges:		
Estate charges ( <i>all 287 properties</i> )	63,005	60,006
Apartment charges ( <i>162 properties</i> )	85,003	100,003
Lift charges ( <i>11 properties</i> )	3,696	3,630
Coach Houses ( <i>14 properties</i> )	3,099	2,899
	<u>154,803</u>	<u>166,538</u>
Ground rent	<u>26,160</u>	<u>26,160</u>
	<u><b>180,963</b></u>	<u><b>192,698</b></u>

**4 DEBTORS**

	<u>31.12.2022</u>	<u>31.12.2021</u>
	£	£
Trade debtors ( <i>outstanding ground rent and service charges</i> ) *	4,759	14,736
Prepaid expenses ( <i>expenses paid in advance relating to following year</i> )	28,431	12,729
	<u><b>33,190</b></u>	<u><b>27,465</b></u>

\* Padstow - No 36; £3,672, No 74; £964, No 144; £102, Saltash - No 118; £21.

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

	<u>31.12.2022</u>	<u>31.12.2021</u>
	£	£
Accrued expenses ( <i>expenses unpaid at the year-end</i> )	16,196	12,585
Other creditors ( <i>service charges received in advance</i> )	59,771	46,627
	<u><b>75,967</b></u>	<u><b>59,212</b></u>

**6 INTEREST RECEIVABLE**

	<u>31.12.2022</u>	<u>31.12.2021</u>
	£	£
Bank interest receivable	4,579	2,069

**7 RECONCILIATION OF RESERVES**

	Balance brought forward	(Deficit)/ surplus	Reserves at year-end
	£	£	£
Estate charges	9,180	(12,730)	(3,550)
Apartment charges	396,515	(28,278)	368,237
Lift charges	11,597	1,541	13,138
Coach Houses	11,731	(2,789)	8,942
	<u><b>429,023</b></u>	<u><b>(42,256)</b></u>	<u><b>386,767</b></u>

**RESERVE POLICY**

The directors consider it is prudent to hold reserves of at about 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**

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2022**

The following notes do not form part of the statutory financial statements:

<b>8 Reconciliation of operating deficit to operating cash flows</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
	£	£
Operating (deficit)/surplus	(46,835)	18,124
Increase in debtors (note 4)	(5,725)	(1,480)
Increase in operating creditors (note 5)	16,755	6,322
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(35,805)</b>	<b>22,966</b>

<b>9 Analysis of changes in cash during the year.</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
	£	£
Balance brought forward	460,770	435,735
Net cash (outflow)/inflow from operating activities (note 8)	(35,805)	22,966
Interest received (note 6)	4,579	2,069
<b>Balance at year-end</b>	<b>429,544</b>	<b>460,770</b>

**10 Detailed Income & Expenditure**

Current year	<b>31.12.2022</b>	<b>31.12.2022</b>	<b>31.12.2022</b>	<b>31.12.2022</b>	<b>31.12.2022</b>	<b>31.12.2022</b>
	Ground rents	Estate	Apartments	Lifts	Coach Houses	Total
	£	£	£	£	£	£
Income (note 3)	26,160	63,005	85,003	3,696	3,099	180,963

Service charge expenditure:

Grounds maintenance	-	(18,802)	-	-	-	(18,802)
Waste management	-	(8,894)	-	-	-	(8,894)
Maintenance - electrical	-	(364)	(2,602)	-	-	(2,966)
Maintenance - redecoration	-	-	(11,325)	-	-	(11,325)
Maintenance - fire prevention	-	-	(2,180)	-	-	(2,180)
Maintenance - roof repairs	-	-	(10,620)	-	-	(10,620)
Maintenance - window cleaning	-	-	(596)	-	-	(596)
Maintenance - general	-	(7,465)	(41,287)	(1,689)	(3,087)	(53,528)
Fire risk assessment	-	-	(3,750)	-	-	(3,750)
Accountancy	-	(1,000)	-	-	-	(1,000)
Professional fees (refund from previous agent)	-	732	-	-	-	732
Management fees	-	(37,002)	-	-	-	(37,002)
Insurance - site and buildings*	-	(1,501)	(25,723)	-	(2,801)	(30,025)
Insurance - engineering	-	-	-	(466)	-	(466)
Insurance - directors and officers	-	(320)	-	-	-	(320)
Insurance - rebuild cost assessment	-	-	(3,816)	-	-	(3,816)
Companies House & ICO fees	-	(48)	-	-	-	(48)
Sundry	-	(129)	-	-	-	(129)
Electricity **	-	(942)	(3,769)	-	-	(4,711)
Cleaning	-	-	(12,192)	-	-	(12,192)
Ground rent to freeholder	(26,160)	-	-	-	-	(26,160)
<b>Total expenditure</b>	<b>(26,160)</b>	<b>(75,735)</b>	<b>(117,860)</b>	<b>(2,155)</b>	<b>(5,888)</b>	<b>(227,798)</b>
Operating surplus/(deficit)	<u>0</u>	<u>(12,730)</u>	<u>(32,857)</u>	<u>1,541</u>	<u>(2,789)</u>	<u>(46,835)</u>
Add interest receivable (note 6)	-	-	4,579	-	-	4,579
<b>Transfer to/(from) reserves (note 7)</b>	<b>(12,730)</b>	<b>(28,278)</b>	<b>1,541</b>	<b>(2,789)</b>	<b>(42,256)</b>	

\*The directors have allocated 5% of the insurance premium to the estate in respect of public liability cover.

\*\*The directors have allocated 20% of the electricity cost to the estate in respect of external lighting and tv amplifiers.



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

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2022**

**10 Detailed Income & Expenditure**

Previous year	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>31.12.2021</u>	<u>31.12.2021</u>
	Ground rents	Estate	Apartments	Lifts	Coach Houses	Total
	£	£	£	£	£	£
Income (note 3)	26,160	60,006	100,003	3,630	2,899	192,698
Service charge expenditure:						
Grounds maintenance	-	(17,126)	-	-	-	(17,126)
Waste management	-	(2,460)	-	-	-	(2,460)
Maintenance - electrical	-	(229)	(1,231)	-	-	(1,460)
Maintenance - redecoration	-	-	(10,125)	-	-	(10,125)
Maintenance - fire prevention	-	-	(11,093)	-	-	(11,093)
Maintenance - roof repairs	-	-	(4,795)	-	-	(4,795)
Maintenance - window cleaning	-	-	(596)	-	-	(596)
Maintenance - general	-	(3,760)	(8,871)	(2,461)	(156)	(15,248)
Fire risk assessment	-	-	-	-	-	-
Accountancy	-	(960)	-	-	-	(960)
Professional fees (headlease amendment)	-	(2,790)	-	-	-	(2,790)
Management fees	-	(35,280)	-	-	-	(35,280)
Insurance - site and buildings*	-	(1,281)	(21,955)	-	(2,391)	(25,627)
Insurance - engineering	-	-	-	(528)	-	(528)
Insurance - directors and officers	-	(149)	-	-	-	(149)
Insurance - rebuild cost assessment	-	-	-	-	-	-
Companies House & ICO fees	-	(13)	-	-	-	(13)
Sundry	-	(298)	-	-	-	(298)
Electricity	-	-	(5,366)	-	-	(5,366)
Cleaning	-	-	(14,500)	-	-	(14,500)
Ground rent to freeholder	(26,160)	-	-	-	-	(26,160)
<b>Total expenditure</b>	<b>(26,160)</b>	<b>(64,346)</b>	<b>(78,532)</b>	<b>(2,989)</b>	<b>(2,547)</b>	<b>(174,574)</b>
Operating surplus/(deficit)	<u>0</u>	<u>(4,340)</u>	<u>21,471</u>	<u>641</u>	<u>352</u>	<u>18,124</u>
Add interest receivable (note 6)	-	-	2,069	-	-	2,069
<b>Transfer to/(from) (note 7)</b>		<b>(4,340)</b>	<b>23,540</b>	<b>641</b>	<b>352</b>	<b>20,193</b>

\*The directors have allocated 5% of the insurance premium to the estate in respect of public liability cover.

**11 OTHER INFORMATION**

**Ground Rent and lease term**

The site includes 287 properties of which 214 are held on leases that run for 155 years from 1 January 2003 with the ground rent initially set at £102 a year for 1 bed properties and £150 a year for 2 bed properties. The lease sets ground rent reviews at 25 year intervals by reference to the increase in the Retail Price Index with the first review due on 1 January 2028. Under the terms of the lease the company is obliged to collect the ground rent for 176 of the leasehold properties on behalf of the freeholders.

The rent review formula in the headlease and several of the sub-leases has been amended by deeds of variation in order to reflect the review method above. It is believed that a number of leases contain different rent review formulas.

**Service Charges**

The company is responsible for collecting service charges for all properties on the site with the exception of 38 properties that had originally been sold to a housing association where the freeholder collects the apartment and coach house charges and the company collects the estate charges.

The company has appointed a local professional managing agent to act on its behalf. The managing agent advises the company on the level of service charges based on forecast expenditure and reserve transfer.

**Commissions and kick-backs**

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

**Transactions with directors**

Other than service charge and ground rent payments no financial transactions took place with directors (2021: An intercom part was purchased from Andrew Crellin for £30 and is held as a potential spare part.)