

**RIVERMEAD COURT LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2010**



**HEXTALL MEAKIN**  
Chartered Accountants & Statutory Auditor  
Argon House  
Argon Mews  
Fulham Broadway  
London  
SW6 1BJ

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# **RIVERMEAD COURT LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2010**

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## **RIVERMEAD COURT LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

Susan Jane Fox  
Peter Gilby Green  
Timothy Peter Julian Halford  
Suzanne Jean Henderson  
Richard Frank Coleman Pollitzer  
Deborah Louisa Kate Richards  
David Heathcote Tatham  
Anthony John Walker

**Company secretary**

Susan Jane Fox

**Registered office**

The House Manager's Office  
Rivermead Court  
Ranelagh Gardens  
London  
SW6 3SB

**Auditor**

Hextall Meakin  
Chartered Accountants  
& Statutory Auditor  
Argon House  
Argon Mews  
Fulham Broadway  
London  
SW6 1BJ

# **RIVERMEAD COURT LIMITED**

## **CHAIRMAN'S STATEMENT**

**YEAR ENDED 31 DECEMBER 2010**

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### **Results**

The Company made a gross profit on its own activities of £78,677 and a deficit on service charge income and expenditure of £84,814. This deficit arose as a result of the high cost of the planned major works expenditure in excess of Reserve Fund income. Following interest receivable, investment income and profit on investments of £63,605, and the allocation of the service charge deficit to the Service Charge Reserve, the Company made a profit on ordinary activities before taxation of £140,461 and an after tax profit of £129,072.

Net assets at 31 December were £1,875,774 in comparison with £1,829,695 at the end of 2009. The book value of investments was £1,402,996, as compared with £1,385,735 and their market value was £1,666,501. In consequence of the service charge deficit, the Service Charge Reserve declined from £239,799 to £156,806 but the Profit and Loss Account stood at £1,718,761 in comparison with £1,589,689 last year. It is significant that in a further year of high major works expenditure, the Company's own strong net income flow ensured that an overall increase in reserves was achieved.

### **Treasurer's Report**

Last year, the Treasurer published his own separate Report for the first time. This was generally well received by shareholders, so the Treasurer is repeating the same procedure this year, and his Report forms part of the AGM package sent to shareholders. However, I must stress that it is informal by nature and is not part of the Annual Financial Statements or Service Charge Accounts. I hope that you will continue to find this reporting method useful.

### **Major Works**

During the year under review, we embarked on the third phase of the extensive decoration of the exterior of our buildings which was commenced in 2008, namely the re-decoration of the Lightwells in the West Block. Like the East Block, this exercise was not without its problems and, although there was, inevitably, some inconvenience for the Block's inhabitants, in general the work progressed more smoothly than in 2009.

The installation of two water booster pumps, as demanded by Thames Water, was finally completed. This too caused some inconvenience for those lessees living in the middle entrance of the East Block, for which we apologise.

The renewal and updating of our ancient valves continued throughout the year. Phase B is now completed – with some difficulty. I fear that the renewal and maintenance of our valves, pipework, and boilers is – and will continue to be – an ongoing problem.

### **Staff**

There were no changes to the staff during the year and, as we have come to expect, they looked after us admirably throughout the year. We are all most grateful to them all, and I think that the generous contributions to the Staff Christmas Fund demonstrate the high regard in which they are held by the residents.

### **Newsletter**

The Newsletter is the responsibility of the Interior Sub-Committee. I use it as a means of informing lessees twice a year of the latest developments at Rivermead Court, plus of course it contains useful information about the dates of local football matches and river events.

# **RIVERMEAD COURT LIMITED**

## **CHAIRMAN'S STATEMENT**

**YEAR ENDED 31 DECEMBER 2010**

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### **Garden**

I am especially pleased with the changes wrought in the garden by our two gardeners Boguś Machnik and Andrew Puxley and I hope lessees are too. They have now had a year to discover what grows where, to prune our rather overgrown shrubs, and to plan for the future.

The garden was also the setting for a well-attended Summer Party, and a lively Carol Concert at Christmas.

### **Parking**

Parking is a perennial problem. The number of cars requiring parking spaces here at Rivermead Court exceeds the number of spaces by some way and we cannot deny access to builders or the drivers of delivery vans and taxis. I can only ask you again to be as tolerant as possible – especially of large or inconveniently parked vehicles.

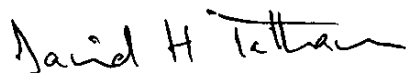
### **The Board**

Earlier in the year we were devastated by the sad loss of Jenny Redhead who passed away suddenly and unexpectedly in October. She contributed much to our deliberations, and we shall miss her. Our sympathies on their loss go to her husband Michael, who continues to live in Rivermead Court, and their sons. Jenny was replaced by Deborah Richards who has lived here for many years. You will be asked at the AGM to confirm this appointment.

Once again I express my very sincere appreciation for the unstinting work done by each of my fellow Board members.

### **Health & Safety**

The company has responsibilities under various provisions of the Health & Safety legislation and we commission regular reports on how Rivermead Court measures up.



**DAVID HEATHCOTE TATHAM**

Chairman

Dated 19 April 2011

# **RIVERMEAD COURT LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2010**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2010

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

Rivermead Court Limited acts as Landlord on behalf of the leaseholders of Rivermead Court. The company purchased the freehold of Rivermead Court from Prudential Assurance Company Limited with a view to granting long leases of the flats therein to those sitting tenants who wished to acquire them. Long leases of certain flats which were vacant at that time or subsequently became vacant have been sold in the open market. Two flats continued to be let during the year at statutory rents, to sitting tenants who did not elect to acquire long leases.

### **DIRECTORS**

The directors who served the company during the year were as follows

Susan Jane Fox  
Peter Gilby Green  
Timothy Peter Julian Halford  
Suzanne Jean Henderson  
Richard Frank Coleman Pollitzer  
Jennifer Anne Redhead  
Deborah Louisa Kate Richards  
David Heathcote Tatham  
Anthony John Walker

Deborah Louisa Kate Richards was appointed as a director on 14 December 2010

Jennifer Anne Redhead died on 9 October 2010

### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,

# **RIVERMEAD COURT LIMITED**

## **THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2010**

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **AUDITOR**

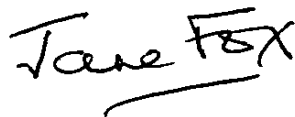
Hextall Meakin are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:  
The House Manager's Office  
Rivermead Court  
Ranelagh Gardens  
London  
SW6 3SB

Signed by order of the directors



SUSAN JANE FOX  
Company Secretary

Approved by the directors on 19 April 2011

# **RIVERMEAD COURT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RIVERMEAD COURT LIMITED**

**YEAR ENDED 31 DECEMBER 2010**

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We have audited the financial statements of Rivermead Court Limited for the year ended 31 December 2010 on pages 8 to 16. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 to 5, the directors are responsible for the preparation of the Annual Report, financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# **RIVERMEAD COURT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RIVERMEAD COURT LIMITED** *(continued)*

**YEAR ENDED 31 DECEMBER 2010**

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### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime

  
GEORGE MEAKIN  
Senior Statutory Auditor

Dated 19 April 2011

For and on behalf of  
HEXTALL MEAKIN  
Chartered Accountants & Statutory Auditors  
Argon House  
Argon Mews  
Fulham Broadway  
London  
SW6 1BJ

**RIVERMEAD COURT LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2010**

	Note	2010 £	2009 £
<b>COMPANY INCOME</b>		115,168	106,566
Company expenditure		36,491	37,984
<b>COMPANY GROSS PROFIT</b>		<u>78,677</u>	<u>68,582</u>
Service Charge Income		1,310,549	1,310,547
Service Charge and Reserve Expenditure		(1,395,363)	(1,519,410)
<b>SERVICE CHARGE (DEFICIT)</b>		<u>(84,814)</u>	<u>(208,863)</u>
<b>OPERATING (DEFICIT)</b>	2	(6,137)	(140,281)
Investment income and profits receivable - Company	4	61,784	86,722
Service Charge		1,821	7,119
		<u>63,605</u>	<u>93,841</u>
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		57,468	(46,440)
Service Charge deficit allocated to Service Charge Reserve		82,993	201,744
<b>COMPANY PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>140,461</u>	<u>155,304</u>
Tax on profit/(loss) on ordinary activities	5	11,389	9,023
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	13	<u>129,072</u>	<u>146,281</u>

The notes on pages 10 to 16 form part of these financial statements.

# RIVERMEAD COURT LIMITED

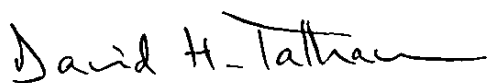
## BALANCE SHEET

31 DECEMBER 2010

	Note	2010 £	2009 (restated) £
<b>FIXED ASSETS</b>			
Tangible assets	6	163,200	163,200
<b>CURRENT ASSETS</b>			
Property Stock	7	29,159	29,159
Debtors	8	700,430	563,349
Investments	9	1,402,996	1,385,735
Cash at bank		624,711	662,415
		2,757,296	2,640,658
<b>CREDITORS: Amounts falling due within one year</b>	10	1,044,722	974,163
<b>NET CURRENT ASSETS</b>		1,712,574	1,666,495
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,875,774	1,829,695
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	12	207	207
Service Charge Reserve	13	156,806	239,799
Profit and loss account	13	1,718,761	1,589,689
<b>SHAREHOLDERS' FUNDS</b>		1,875,774	1,829,695

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 19 April 2011 and are signed on their behalf by



DAVID HEATHCOTE TATHAM

Company Registration Number 1432634

The notes on pages 10 to 16 form part of these financial statements.

**RIVERMEAD COURT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Company income**

Company income represents income from its two rental properties, ground rent receivable and income from garages, car spaces and storage units

**Service Charge Income**

Service charge income represents income due from leaseholders for the year to cover the running costs of the building and to enable the build up of a surplus towards major works

**Investments**

Investments are shown in the financial statements at the lower of cost and net realisable value

**Presentation of profit and loss account**

The presentation of the Company profit and loss account has been modified from the prescribed format for Company Accounts. The Directors believe that the financial statements and the notes thereon, as presented, are necessary for the accounts to give a true and fair view of the Company's financial activities for the year.

**Property**

Property is shown in the financial statements at the lower of cost and net realisable value

**RIVERMEAD COURT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**1. ACCOUNTING POLICIES *(continued)***

**Depreciation of land and buildings**

Land and Buildings - NIL

The residual value of the Land and Buildings, which include the garages and staff flats, are such that any element of depreciation would be immaterial

**2. OPERATING LOSS**

Operating loss is stated after charging

	<b>2010</b>	2009
	<b>£</b>	<b>£</b>
Directors' remuneration	—	—
Auditor's fees	<u>8,000</u>	<u>6,000</u>

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	<b>2010</b>	2009
	<b>No</b>	<b>No</b>
Average weekly full time employees	<u>14</u>	<u>14</u>

The aggregate payroll costs of the above were

	<b>2010</b>	2009
	<b>£</b>	<b>£</b>
Wages and salaries	290,688	275,523
Social security costs	26,833	25,212
Other pension costs	9,404	8,886
Other staff costs	<u>7,219</u>	<u>10,747</u>
	<u>334,144</u>	<u>320,368</u>

No director received any remuneration during the year

**RIVERMEAD COURT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

**4. INVESTMENT INCOME AND PROFITS RECEIVABLE**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	1,246	6,060
Interest received on late payment	661	—
Profit on sale of investments	23,510	50,974
Investment income receivable	38,188	36,807
	<u>63,605</u>	<u>93,841</u>

**5. TAXATION ON ORDINARY ACTIVITIES**

**Analysis of charge in the year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Current tax		
UK Corporation tax based on the results for the year	11,389	9,023
Total current tax	<u>11,389</u>	<u>9,023</u>

The company is a mutual trading company for taxation purposes which means that no taxation arises on service charge surpluses

**6. TANGIBLE FIXED ASSETS**

	<b>Land and Buildings</b>
	<b>£</b>
<b>COST</b>	
At 1 January 2010 and 31 December 2010	<u>163,200</u>
<b>DEPRECIATION</b>	
At 1 January 2010 and 31 December 2010	<u>—</u>
<b>NET BOOK VALUE</b>	
At 31 December 2010	<u>163,200</u>
At 31 December 2009	<u>163,200</u>

The Land and Buildings include the garages and the staff flats

**RIVERMEAD COURT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**7. PROPERTY STOCK**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Property	<u>29,159</u>	<u>29,159</u>

The property stock comprises two remaining flats whose tenants did not elect to acquire long leases

**8. DEBTORS**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>(restated)</b>
	<b>£</b>	<b>£</b>
Loan from Company to Service Charge Reserve	115,000	—
Loan from Service Charge Reserve to Company	12,980	14,179
Service charges receivable	471,393	455,443
Prepayments and accrued income	<u>101,057</u>	<u>93,727</u>
	<u>700,430</u>	<u>563,349</u>

**RIVERMEAD COURT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

**9. INVESTMENTS**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Bonds</b>		
£50,000 4 7/8% BNG 2010	-	49,709
2010 - £492,000 UK Govt 2 25% Gilt 2014	487,227	-
2009 - £590,000 UK Govt 2 25% Gilt 2014	-	584,276
2010 - £115,000 UK Govt 2 5% Index-Linked 2013	285,944	-
2009 - £151,000 UK Govt 2 5% Index-Linked 2013	-	375,457
£30,000 B A T Int Finance 5 75% Notes 2013	30,075	30,075
£29,000 Linde Finance 6 5% Notes 2016	28,063	28,063
£50,000 Close Brothers Group 6 5% Stock	50,450	-
£60,000 Standard Chartered 8 1023% Perp Bds	65,675	-
£60,000 HSBC Cap Funding 8 208% Perp Bds	65,975	-
£65,000 Co-Operative Bank 5 125% Bonds	65,437	-
£50,000 Centrica 5 5% Notes 2016	-	46,800
	<u>1,078,846</u>	<u>1,114,380</u>
<b>Investment Companies</b>		
8,000 Electric & General Investment Trust	-	27,791
14,000 Schroder UK Mid Cap Fund	25,639	25,639
3,200 Murray International Trust	25,420	25,420
6,750 Bankers' Investment Trust	25,120	25,120
11,000 City of London Inv Trust	28,689	-
11,000 Blackrock Greater European Inv Trust	18,494	-
42,000 HSBC Infrastructure Co Ord	50,181	-
14,000 JP Morgan GBL Emerg Mkts Inc Trust	15,057	-
1,800 Mercantile Inv Trust Plc	17,431	-
6,500 Scottish Oriental Smaller Co Trust	25,884	25,884
	<u>231,915</u>	<u>129,854</u>
<b>Unit trusts</b>		
35,000 Cazenove UK Growth & Income	51,375	51,375
20,000 St James' Place International	40,860	40,860
70,680 JP Morgan UK Dynamic	-	49,267
	<u>92,235</u>	<u>141,502</u>
	<u>£1,402,996</u>	<u>£1,385,735</u>

All the investments are stated at the lower of cost and net realisable value. The market value at 31 December 2010 was £1,666,501 (2009 £1,569,774) and the market value at 15 April 2011 was £1,717,635.



# RIVERMEAD COURT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

### 10. CREDITORS: Amounts falling due within one year

	2010	2009 (restated)
	£	£
Trade creditors	35,283	92,046
Loan from Company to Service Charge Reserve	115,000	—
Loan from Service Charge Reserve to Company	12,980	14,179
Other creditors including taxation		
Corporation tax	10,924	8,556
Deferred income and service charges receivable	711,749	695,297
Other creditors	125,328	133,720
Accruals and deferred income	33,458	30,365
	<u>1,044,722</u>	<u>974,163</u>

### 11. RELATED PARTY TRANSACTIONS

In their capacity as lessees, the directors are levied and pay service charges and, where applicable, car-parking, garage and storage unit rents, on the same arms length basis as all other lessees of Rivermead Court

Richard Pollitzer, a director of the Company, is also an employee of Hargreave Hale Limited, a firm which provides investment advice to Rivermead Court Limited. All transactions between the company and Hargreave Hale Limited are on an arm's length basis

### 12. SHARE CAPITAL

#### Authorised share capital

	2010	2009
	£	£
250 Ordinary shares of £1 each	<u>250</u>	<u>250</u>

#### Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
207 Ordinary shares of £1 each	<u>207</u>	<u>207</u>	<u>207</u>	<u>207</u>

**RIVERMEAD COURT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2010**

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**13. RESERVES**

	<b>Service Charge Reserve £</b>	<b>Profit and loss account £</b>
Balance brought forward as previously reported	239,799	1,589,689
Surplus for the year	—	129,072
Deficit for the year	(82,993)	—
Balance carried forward	<u>156,806</u>	<u>1,718,761</u>

Under the terms of the leases granted by the company it is entitled each year to include in the service charge receivable not only those expenses incurred during the year in question but also a contribution to those expenses of a periodically recurring nature, mainly, in practice, major works. The accumulated amount of these contributions is intended to produce a reserve fund called in these accounts "the Service Charge Reserve".