Company Registration No. 01660897 (England and Wales)

SOMERSTOWN MANAGEMENT COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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SOMERSTOWN MANAGEMENT COMPANY LIMITED

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SOMERSTOWN MANAGEMENT COMPANY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Current assets					
Debtors	**5**	3,945		18,080	
Cash at bank and in hand		312,391		259,341	
		316,336		277,421	
Creditors: amounts falling due within one year	**6**	(8,104)		(16,659)	
Net current assets			308,232		260,762
Capital and reserves					
Called up share capital			152		152
Reserves			308,080		260,610
Total equity			308,232		260,762

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 6 December 2021 and are signed on its behalf by:

Ms A Bullen
Director

Company Registration No. 01660897

SOMERSTOWN MANAGEMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Share capital	- - - Flats reserves - - -			- - Estate reserves - -		Total
		Service charge account	Future major maintenance	Roof maintenance	Future major maintenance	Service charge account	
	£	£	£	£	£	£	£
Balance at 1 October 2019	152	9,468	39,017	108,040	21,089	62,567	240,333
Year ended 30 September 2020:							
Transfers to/(from) reserves	-	(1,147)	62,240	6,000	11,700	(1,815)	76,978
Expenditure funded from reserves	-	-	(34,187)	(1,325)	(21,037)	-	(56,549)
Balance at 30 September 2020	152	8,321	67,070	112,715	11,752	60,752	260,762
Year ended 30 September 2021:							
Transfers to/(from) reserves	-	(657)	46,400	6,000	11,700	(37)	63,406
Expenditure funded from reserves	-	-	-	(7,154)	(8,782)	-	(15,936)
Balance at 30 September 2021	152	7,664	113,470	111,561	14,670	60,715	308,232

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1 Accounting policies

Company information

Somerstown Management Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Piper House, 4 Dukes Court, Bognor Road, Chichester, West Sussex, PO19 8FX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents total contributions receivable from the members to cover expenses incurred by the company in complying with its covenants and obligations to maintain and managed the flats and estate at Somerstown, Chichester.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.6 Taxation

The company is liable to Corporation tax on its investment income only.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Total	-	-

4 Service charge bank accounts

Service charge money was held in interest bearing bank accounts as follows:

- Barclays Bank Plc, Chichester in trust, under the title Stride and Son Limited re Somerstown Savings account number 23609081

5 Debtors

Amounts falling due within one year:	2021 £	2020 £
Service charge arrears	3,154	5,475
Other debtors	791	12,605
	3,945	18,080

6 Creditors: amounts falling due within one year

	2021 £	2020 £
Corporation tax	5	102
Other creditors	8,099	16,557
	8,104	16,659

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Claire Norwood BSc FCA ATII and the auditor was Jones Avens Limited.

8 Designated reserves

Estate Service Charge Account
The estate service charge account represents the unexpended sums collected in respect of the Somerstown Estate service charge.

Estate Future Major Maintenance Reserve
Sums have been designated for the future major maintenance of the Somerstown Estate, this includes the previous wall and roadway reserve.

Flats Roof Reserve
Sums have been set aside for the repair and replacement of the flats roofs.

Flats Future Major Maintenance Reserve
Sums have been designated for the future major maintenance of the flats, this includes the previous painting fund.

Flat Service Charge Account
The flat service charge account represents the unexpended sums collected in respect of the flats service charge.

9 Control

Each owner of a property within the Somerstown Estate holds one share in the company and the company is controlled by its members.

10 Related party transactions

The directors are all members of the company and also owners of the properties managed by the company. As such they are required to pay estate charges of £336 (2020 - £336) and, if owners of a flat, a flat service charge of £1,080 (2020 - £960) in line with all other owners. No directors had any material outstanding balances at the year end.

Service charge expenditure includes a total of £1,630 (2020: £975) payable to MRN Roofing Services for roofing surveying advice. MRN Roofing Services is an associated company to the managing agent through marriage to a director of Stride & Son.