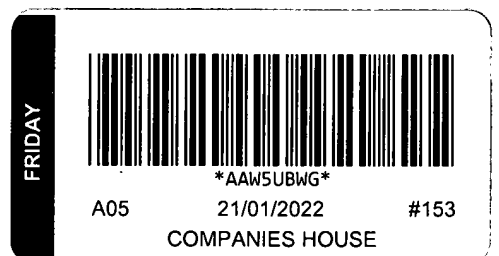


Company No. 2881342

**FUTURETOWN
PROPERTY MANAGEMENT LIMITED**

**Directors Report
And
Financial Statements**

**For The Year Ended
30th April 2021**



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COMPANY INFORMATION

Directors	June Gentle
Secretary	Michael R. Delph
Company Number	2881342
Registered Office	10, Bradshaw Road Drayton Norwich Norfolk NR8 6DJ
Bankers	Co-operative Bank Plc
Solicitors	Spire LLP Solicitors 38 Prince of Wales Road Norwich NR1 1HZ

Company number: 2881342

DIRECTORS REPORT FOR THE YEAR ENDED 30TH APRIL 2021

The Directors hereby present their report together with the financial statements for the year ended 30th April 2021.

Principal Activities

The Company's principal activity continued to be that of freehold ownership, management and administration of long leasehold properties at Duke Street, Norwich.

The Members of the Company, are its long leaseholders. It is not a trading company.

Operating and Financial Review

Income for the year (comprises service charges & ground rent from long-leaseholders) amounted to £8,640, and a Surplus of £2,800 arose for the year on ordinary activities.

Repairs & Maintenance of the buildings

Whilst significant repairs / improvements costing some £13,900 had been made to the front of the buildings in the financial year to 30th April 2019, which included new replacement hardwood entrance door frames, doors, plus ironmongery etc; and new replacement hardwood sash windows (at Number 43, in the old block) at street level. These works had been planned and undertaken within the context of no works of any significance having been undertaken for a good number of years; and us being very limited in undertaking any works on the Street frontage, by the long two lane road closure, whilst the adjacent John Youngs development site works were being progressed on Duke Street.

We were still awaiting to be able to scaffold and progress repairing of storm damage that had been sustained in the January 2017 gales, and which was to be funded by Insurance.

A £6,806 deposit was paid to Aspect Group Services to towards the end of the financial 2020 year, and intermittent to the 2020 Covid Lockdowns, work was finally able to be commenced in the late summer of 2020 and completed by the end of the 2020 calendar year. A full detailed report was provided on the works and costs to members. In summary here - scaffolding enabled the 2017 storm damage to be repairs, but also essential roof repair and maintenance works and repair and maintenance including new front windows, and woodwork, necessitated by age, and inability to have access and undertake works earlier.

The final spend, as necessary, was some £57,460, with £20,650 being sought, and subsequently paid, as an insurance claim. The company had cash resources to support some of the work, but also needed to use temporary financing, and a flexible approach, regarding monies coming in monthly from service charges, the appearing need and intention to seek one-off contributions from leaseholders, and flexible bank rolling, has enabled the company to progressively discharge its amounts owed, as monies come in.

Subsequent to the financial year, the insurance funds came in, and one off contributions were levied and paid by all. Whilst the company's profit and loss account, and the balance

sheet, are seriously impacted as regards the consequences of the work, ie they show a significant loss on the year, a significant cumulative loss, and a negative balance sheet, leaseholders, and reviewers of the accounts should not be unduly concerned.

Within the time frame of eight months from the 30th April 2021, and at the date of this Director's report (Jan 2022), the company had cash resources in the bank of £10,312, had only normal trade creditors, and had an outstanding loan debt of just £4,346 remaining, which is and can be fairly flexible, as regards further repayment over time, as funds build up, and which as a source, is a form of lender of last resort, if there was an emergency or extreme situation.

The profit and loss has been impacted not least because the company was able to use the cash receipt from a lease premium for an extended lease, and rightly the company could and should keep one-off contributions sought outside of any normal service charge arrangements to be at the absolute minimum.

The buildings are in good state (the front in total) and has now had a 30 year replacement / refresh, and ongoing maintenance in the next few years should be at a low / reasonable level, having under taken such works.

The leases of the long-leaseholders are beginning to reach the point where tenants are looking for lease extensions. One lease had been extended in the previous 2018/19 year, there have been enquiries, and further lease extensions progressed.

The accounting impact of a lease extension is that in paying a lease premium, the acquirer is entitled to a ground rent of a peppercorn, as opposed to what would otherwise be £100 ground rent per annum.

The lease premium amount is taken to the balance sheet, and the rent is amortised over the term of the lease, meaning only £100 goes to the profit and loss account each year. The spending of the lease premium amount received, on repairs which become overdue and essential, and which were a profit and loss cost, should not give any cause for concern whatsoever. The lease premium is not a liability of the company, it is merely an amount received which is in respect of £100 per annum ground rent foregone.

Whilst the Company's required normal (prudent) level of reserves is around £6,000 - £10,000, as stated this amount could and would be available to the company, including resorting to temporary funding.

Directors

The Directors who served during the year were as follows –

June Gentle
Elizabeth Collins (Resigned 17th July 2020)

The Directors interests in the company are that of ordinary members and are limited to £1.

Political and Charitable Contributions

The company made no political or charitable contributions during the year.

Small company exemptions

In accordance with Section 477 of the Companies Act 2006, the company for the financial year is exempt from the requirements of the 2006 Act relating to the audit of accounts for that year.

This annual report was approved by the Director on 12th January 2022.



June Gentle
Director



Michael R Delph CPFA
Company Secretary

PROFIT AND LOSS ACCOUNT

For the year ended 30th April 2021

	Notes	Year Ended 30th April 2021 £	Year Ended 30th April 2020 £
Turnover	2	8,640	8,640
Administrative expenses		5,839	5,211
Operating Profit/(Loss)		2,800	3,428
Interest receivable		-	-
Profit (Loss) on ordinary activities before taxation		2,800	3,428
Exceptional Items			
Roofing (Inc Storm Damage) / Windows etc	57,460		
Less			
Insurance (after excess)	20,650		
One-Off Contributions to be levied	11,925		
Net Cost		24,885	
Surplus (Deficit) for Financial Year		(22,084)	3,428
Taxation on ordinary activities			
Surplus (Deficit) for Financial Year		(22,084)	3,428
Retained profit/Maintenance fund brought forward	5	10,343	6,915
Retained profit/Maintenance fund carried forward	5	(11,741)	10,343

Amounts, Excluding Exceptional Items) relate to continuing activities.

There were no recognised gains or losses other than those included in the profit and loss account.

BALANCE SHEET

as at 30th April 2021

	Notes	As at 30 th April 2021	As at 30 th April 2020
Current Assets			
Debtors & Prepayments	3	1,824	2,594
Works Deposit			6,807
Cash at bank and in hand		1,798	13,771
Insurance Claim (Received)		20,650	-
One-Off Contributions (Received)		11,925	
		36,197	23,172
Creditors: Amounts falling due within 1 year	4	6,029	2,915
Loan Creditor, Works Funded	5	32,095	-
Total assets less (current liabilities)		(1,927)	20,257
Deferred Income		9,814	9,914
		(11,741)	10,343
Capital and reserves			
Members funds			
Brought Forward		10,343	6,915
Surplus / (Deficit) for year	6	(22,084)	3,428
Carried Forward		(11,741)	10,343
Total		(11,741)	10,343

For the year ending 30th April 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These accounts were approved and signed by the Director on 12th January 2022.

June Gentle
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2021

Accounting Policies

2 Basis of Accounting

The Financial Statements have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

2 Turnover

Turnover is the total amount receivable by the company (being Service Charges Inclusive of a ground rent) for services provided. The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Debtors & Prepayments

Debtors & Prepayments comprise –

	Year Ended 30 th April 2021	Year Ended 30 th April 2020
Debtors	200	1,200
Prepayments	1,624	1,394
Total	1,824	2,594

4 Creditors: Amounts falling due within one year

Creditors: Amounts falling due within one year comprise -

	Year Ended 30 th April 2021	Year Ended 30 th April 2020
Creditors	728	459
Accrued Expenses	2,175	1,592
Accrued Expenses - Works	3,126	864
Total	6,029	2,915

5 Creditors: Amounts falling due after more than one year

Creditors: Amounts falling due after more than one year comprise –

	Year Ended 30 th April 2021	Year Ended 30 th April 2020
Loan Creditor (Works Funded)	32,095	-
Delph & Co (Accountancy) Limited; As At 31 st Dec 2022, amount remaining outstanding was £4,346		
Total	32,095	-

6 Maintenance Fund

The Maintenance Fund is held by the Company, in trust, on behalf of its Members, to have available to meet the cost of repairs and maintenance. The value of the fund is monitored by the Directors on behalf of the Members, and adjustments to Members contributions are to be proposed by the Directors should the value of the fund become at any time imprudently low, or unnecessarily high.

MANAGEMENT PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH APRIL 2021

	Year Ended 30 th April 2021		Year Ended 30 th April 2020	
	£	£	£	£
Turnover				
Ground rent received	900		900	
Tenants Monthly contributions to maintenance etc.	7,740		7,740	
Lease Extension - Premium				
Lease Extension - To Deferred Income				
Other income		8,640		8,640
Interest receivable				
Bank interest	-	-	-	-
		<u>8,640</u>		<u>8,640</u>
Less Expenses				
Cleaning	1,012		720	
Repairs & Maintenance	613			
Improvements (Works on outside of building)				
Insurance	2,765		2,336	
Light, Heat & Power	214		137	
Accountancy & Co Secretary (Inc Exps)	1,120		1,087	
Property Management Fees (inc legal)			864	
Professional Fees – Lease Extension				
Misc Expenses	15			
Bank Charges	100		66	
		<u>5,839</u>		<u>5,211</u>
Net profit/(loss) on ordinary activities for the year		<u>2,801</u>		<u>3,428</u>
Exceptional Items				
Roofing (Inc Storm Damage) / Windows etc	57,460			
Less				
Insurance (after excess)	20,650			
One-Off Contributions to be levied	<u>11,925</u>			
		24,885		
Net profit/(loss) for the year		<u>(22,084)</u>		<u>3,428</u>