

# **Lumley Close Freehold Company Limited**

Report of the directors and unaudited financial statements for the period ended

28 February 2026  
Company No 11456612

# Lumley Close Freehold Company Limited

## FINANCIAL STATEMENTS

PERIOD ENDED 28 FEBRUARY 2026

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## LUMLEY CLOSE FREEHOLD COMPANY LIMITED

### Income Statement

For the period ended 28 February 2026

		2026	2025
	Notes	£	£
<b>INCOME</b>	3	5,800	5,560
Administrative expenses	12	(4,766)	(4,771)
<b>SERVICE CHARGE SURPLUS BEFORE INTEREST</b>		<u>1,034</u>	<u>789</u>
Interest receivable and similar income	7	117	107
<b>SERVICE CHARGE SURPLUS TRANSFERRED TO SERVICE CHARGE TRUST FUND</b>		<u><u>1,151</u></u>	<u><u>896</u></u>

**LUMLEY CLOSE FREEHOLD COMPANY LIMITED**

Balance Sheet as at:		28th February 2026		28th February 2025	
	Notes	£	£	£	£
Freehold land and buildings	8		1,050		1,050
<b>CURRENT ASSETS</b>					
Cash at Bank		6,918		6,358	
Debtors	4	4,549		4,551	
		<u>11,467</u>		<u>10,909</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	5	<u>(3,596)</u>		<u>(4,189)</u>	
<b>NET CURRENT ASSETS</b>			7,871		6,720
<b>CREDITORS</b>					
Amounts falling due over one year	6		(1,050)		(1,050)
<b>TOTAL ASSETS LESS LIABILITIES</b>			<u><u>7,871</u></u>		<u><u>6,720</u></u>
<b>RESERVES</b>					
Share capital			3		3
Service Charge Trust Fund	8		7,868		6,717
<b>FUNDS HELD BY THE COMPANY</b>			<u><u>7,871</u></u>		<u><u>6,720</u></u>

- a. For the period ending 28 February 2026 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.
- b. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c. The directors acknowledge their responsibility for:
- i. ensuring the company keeps accounting records which comply with Section 386; and
  - ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial Period, and of its profit or loss for the financial Period, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, 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 directors on 3 March 2026 and signed on their behalf by:

David James Salsbury - director

**LUMLEY CLOSE FREEHOLD COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR PERIOD ENDED 28 FEBRUARY 2026**

**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 and as required under section 21(5) of the Landlord and Tenant Act 1985.

**Basis of Preparation – Service Charge Activities**

The Company is a Residents' Management Company established to own, manage, maintain and administer land and building at 6-9 in Lumley Close, Grange Park, Swindon, in accordance with the terms of the lease.

Under the lease and in accordance with section 42 of the Landlord and Tenant Act 1987, service charge monies demanded and received from leaseholders are held on statutory trust for the contributing leaseholders.

Accordingly:

Service charge funds are not beneficially owned by the Company.

The Company acts as trustee in respect of these monies.

The service charge transactions do not constitute trading activities of the Company.

Service charge income and expenditure are accounted for separately from the Company's own funds.

The service charge bank accounts are held in the name of the Company as trustee. Although the Company has legal title to the bank accounts, the funds therein are held on statutory trust for the leaseholders and are not beneficially owned by the Company.

**Recognition of Service Charge Income**

Service charge income represents amounts receivable from leaseholders in accordance with the lease.

Such amounts are credited to the service charge fund and applied solely towards expenditure incurred in accordance with the lease.

Any surplus or deficit at the year end is carried forward within the service charge fund and does not represent distributable profit of the Company.

**Interest Earned on Service Charge Funds**

Interest earned on bank accounts holding service charge monies, together with interest charged on overdue service charge balances in accordance with the lease, is credited to the service charge fund.

Such interest forms part of the statutory trust monies held for the leaseholders and is not beneficially owned by the Company.

Accordingly, this interest does not constitute income of the Company for its own account.

**Company Income and Activities**

The Company does not trade and does not carry on any business activity in its own right.

The Company has no income or expenditure beneficially its own.

All monies held in the Company's bank accounts, relate solely to service charge funds held on statutory trust for the leaseholders pursuant to section 42 of the Landlord and Tenant Act 1987.

The Company acts solely as trustee in respect of these funds.

**2 STATUTORY INFORMATION**

Lumley Close Freehold Company Limited is a private company, limited by shares of £1.00 each, registered in England and Wales. The company's registered number is 11456612 and its registered office address is:

15 Windsor Road, Swindon, SN3 1JP

The average number of employees during the year was none (2025: none)

**LUMLEY CLOSE FREEHOLD COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR PERIOD ENDED 28 FEBRUARY 2026**

**3 INCOME**

Income represents the amount charged as service charges to leaseholders during the year.

	<u>28.02.2026</u>	<u>28.02.2025</u>
	£	£
Service charges receivable	5,800	5,560

**4 DEBTORS**

	<u>28.02.2026</u>	<u>28.02.2025</u>
	£	£
Service charges owed by leaseholders	4,100	4,120
Payments in advance ( <i>prepaid insurance cover</i> )	449	431
	<u>4,549</u>	<u>4,551</u>

**5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>28.02.2026</u>	<u>28.02.2025</u>
	£	£
Service charges received in advance for the following service charge year.	3,469	3,153
Accrued expenses	127	1,036
	<u>3,596</u>	<u>4,189</u>

**6 CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR**

	<u>28.02.2026</u>	<u>28.02.2025</u>
	£	£
Loans received from shareholders	1,050	1,050

The loan is unsecured, interest free and repayable on demand.

**7 INTEREST RECEIVABLE**

	<u>28.02.2026</u>	<u>28.02.2025</u>
	£	£
Bank interest receivable	117	107

**8 RESERVE FUND**

	<u>28.02.2026</u>
	£
Opening reserves	6,717
Service charge surplus for the financial year	1,151
Closing reserves	<u>7,868</u>

**9 FIXED ASSETS**

	<u>28.02.2026</u>	<u>28.02.2025</u>
	£	£
Freehold cost	1,050	1,050

The freehold of the block of four properties was purchased in 2019 for £4,200. The company subsequently granted deeds of variation to extend three of the four leases to 999 years for £1,050 each. The current freehold cost of £1,050 is one quarter of the price paid which is the cost of the remaining lease for which a lease extension has not been granted. Freehold land is not depreciated.

**LUMLEY CLOSE FREEHOLD COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS FOR PERIOD ENDED 28 FEBRUARY 2026**

*The notes on the following pages do not form part of the statutory accounts.*

**Supplementary Service Charge Information**

<b>10</b> Reconciliation of operating surplus to operating cash flows	<b><u>28.02.2026</u></b>	<b><u>28.02.2025</u></b>
	£	£
Service charge surplus before interest	1,034	789
Decrease/(increase) in debtors (note 4)	2	(214)
(Decrease)/increase in operating creditors (note 5 and 6)	(593)	762
Net cash inflow from operating activities	<u>443</u>	<u>1,337</u>
<b>11</b> Analysis of changes in cash during the Period.	<b><u>28.02.2026</u></b>	<b><u>28.02.2025</u></b>
	£	£
Opening cash	6,358	4,914
Interest received (note 7)	117	107
Net cash inflow from operating activities (note 10)	443	1,337
Balance at period-end	<u>6,918</u>	<u>6,358</u>
<b>12</b> Detailed Income and Expenditure	<b><u>28.02.2026</u></b>	<b><u>28.02.2025</u></b>
	£	£
Total income (note 3)	5,800	5,560
Maintenance - building	(466)	(561)
Maintenance - roof	(500)	-
Communal electricity	(283)	(367)
Grounds maintenance	(638)	(588)
Site maintenance	-	(116)
Insurance - buildings	(678)	(617)
Insurance - directors & officers	(217)	(217)
Insurance - rebuild cost assessment	-	(200)
Management fees	(1,120)	(1,296)
Accountancy	(720)	(720)
Postage and website	(12)	(12)
Bank charges	(51)	(8)
Companies House and ICO fees	(81)	(69)
	<u>(4,766)</u>	<u>(4,771)</u>
Service charge surplus for the period before interest	1,034	789
Interest receivable (note 7)	117	107
Service charge surplus for the period transferred to the service charge trust fund	<u>1,151</u>	<u>896</u>

**LUMLEY CLOSE FREEHOLD COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR PERIOD ENDED 28 FEBRUARY 2026**

**13 OTHER INFORMATION**

**Ground rent and lease term**

The company owns the freehold of the property which includes four apartments with leases that originally ran for 125 years from 1 April 1986 with no ground rent. The company is owned by three of the leaseholders who have extended their leases by deed of variation to 999 years.

**Managing Agent**

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.

**Service Charge Arrears**

At the period end, service charge arrears of £4,100 were outstanding from one leaseholder. The outstanding balance represents approximately 70% of the annual service charge income. The directors monitor the position closely. The arrears relate to this and prior accounting periods and represent approximately three years of service charge contributions.

The leaseholder is currently paying ongoing service charges as they fall due and has entered into a formal repayment arrangement with the company to reduce the outstanding balance by agreed instalments.

The directors have resolved, having regard to the individual circumstances and the leaseholder's financial position, that no interest will be charged on the outstanding balance provided that:

Current service charge liabilities continue to be paid in full when due; and

The agreed repayment schedule is maintained.

The directors review the position regularly. Based on the repayment agreement in place and ongoing payments being received, the directors consider the balance recoverable and no provision for doubtful debt has been made.

In the event of disposal of the leasehold interest, any outstanding service charge arrears would be recoverable in accordance with the lease provisions and normal conveyancing practice.

**Apportionment statement**

Service charges are apportioned between the apartments in accordance with the proportions specified in the leases, being equal amounts of 1/4 of the service charge expenditure.

**Commission and incentive payments**

No commission or incentive payments of any kind are received by the managing agent or the company directors.

**Certification of Service Charge Accounts**

The service charge accounts have been prepared in accordance with Clause 6(3) of the Lease.

The directors consider that, having regard to the size and nature of the property comprising four residential units, the cost of obtaining an independent statutory audit would be disproportionate to the benefit to leaseholders.

The service charge accounts have been prepared by a qualified accountant employed by the managing agent. The directors have reviewed and approved the accounts and confirm that, to the best of their knowledge and belief, they give a fair summary of the service charge income and expenditure for the period and of the service charge funds held at the period end.

**Directors**

The directors shown below have held office during the entire period from 1 March 2025 to the date of this report.

Michael David Alexander Bransfield

David James Salsbury

Simon John Sargent

**Other information**

Other information may be obtained from the company website: [Lumley.bml.site](http://Lumley.bml.site)