

**RIVERMEAD COURT LIMITED**  
**AUDITED**  
**ANNUAL REPORT**  
**AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2022**

# RIVERMEAD COURT LIMITED

## COMPANY INFORMATION

<b>Directors</b>	T E Hackett Lady F Fowler P G Green D L K Richards T J Soane M J Stevens K L Bedell-Pearce P A Babbie (appointed 14 June 2022) M J Kightley (appointed 22 November 2022) P J Wentzel (resigned 22 November 2022)
<b>Company secretary</b>	P A Babbie
<b>Registered number</b>	01432634
<b>Registered office</b>	The Estate Manager's Office Rivermead Court Ranelagh Gardens London SW6 3SB
<b>Independent auditors</b>	Wellden Turnbull Limited Chartered Accountants & Statutory Auditors 180 Piccadilly London W1J 9HF

# RIVERMEAD COURT LIMITED

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## RIVERMEAD COURT LIMITED

### CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The chairman presents his statement for the period.

#### General Remarks

In fortunate contrast to the national and international political and economic scene, the Rivermead microcosm has been largely uneventful, although as outlined below, the consequences of external upheavals are reflected in both the Company's and Service Charge finances and ultimately borne by you as shareholders and leaseholders. The three principal impacts have been felt in the extraordinary rise in energy costs, the related rise in other costs due to inflation and the seemingly inexorable increase in the building insurance premium.

#### Service Charge

As anticipated in the letters from the Pipework Committee on 29th September and myself on 25th November 2022, energy costs in 2022 were significantly higher than budget by £121,902. As previously announced, this amount, exceptionally will be paid out of the Major Works Reserve.

The other significant increase in the year was for insurance premiums, increasing by 18% over the previous year. The Board is still considering how it can lessen the burden of insurance claims on the Service Charge. The question is complex, both legally and practically. Leaseholders are again reminded to check that their insurance adequately covers Public Liability.

I should also draw attention to a third change in 2022. In view of the limited company's increased reliance on service charge resources, the garages and stores that the company manages and the pipework project, in 2022 the company will make a £91,216 contribution to the service charge account in addition to the semi-annual contribution normally paid in respect of the five company-owned flats.

#### Principal Events

##### Reserve Fund

As foreseen this time last year, 2022 was a relatively quiet year for major works expenditure except of course for the continuing work on the Pipework project financed by the Company, utilising some of the proceeds of the lease extensions. Expenditure comprised release of the retention for the redecoration on the West Block, the overdue renewal of the entrance carpets and the refurbishment of the Staff Welfare Room. The appointment two years ago of a new lift consultant resulted in a re-tendering of the lift service contract. Consequently, the contract was awarded to Jackson Lifts, the firm responsible for the lift refurbishment 25 years ago. It's hoped (and indeed insisted upon) that cost savings won't be achieved at the expense of service quality.

##### Lease extension and Pipework Project

The lease extension is now complete to all intents and purposes. Delays in receiving copies of the Land Registry registration are due to staff shortages in the Land Registry and aren't attributable to Rivermead Court or its advisers.

Price Building Services, the firm responsible for the principal pipework contract, have substantially completed their work. We have agreed to a 3-month extension to the programme and added some additional work that was not part of the original contract. Costs have been kept to budget including some, but not all, of the 10% contingency agreed by the Board at the outset. So far some 50 flats are capable of being connected to the new system as they already have Heat Interface Units (HIU) installed or are future-proofed. Those refurbishing their flats are strongly encouraged to provide connections to the new system in their plans. The ultimate switchover date of 1st March 2034 remains feasible but if sufficient progress in connections is achieved, the switchover date may in fact occur sooner.

The increase in the Company's income from £235k to £4.6m (and net profit from £263k to £1.5m) is due almost entirely to the income from lease extensions. While some income will be left over for other Rivermead Court expenditures, the bulk will be needed over the coming years for the acquisition and installation of the HIUs for those flats still to be converted.

## **RIVERMEAD COURT LIMITED**

### **CHAIRMAN'S STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Gardens and Grounds**

The Garden (including the Secret Garden) is a feature distinguishing the Rivermead Estate from its “rivals” along the River. On behalf of residents, the Board offers its appreciation to the Garden Committee and to James Sheen and his team for bringing the Garden to such a high standard of care and beauty. Having enthusiastically chaired the Garden Committee for four years, Catherine Nunneley has decided to relinquish her responsibility. Alexandra Gibbs, an existing Garden Committee member, has kindly accepted to take on the succession.

#### **Managing Agents and Staff**

The Board keeps the performance of Faraday Property Management under regular review both at Board meetings and semi-annual focused exchanges. The Board appreciates the contribution of Mr Ian Gilbert and his colleagues to the smooth running of the Estate. Mr Gilbert who was one of the original partners of Faraday when it took on Rivermead Court in 2007 has decided to move back from “front-line” residential estate management. We wish him well in his semi-retirement and welcome Ms Harpreet Heer as his successor.

Notwithstanding (or possibly because of) the duration of this relationship, the Board is considering re-tendering the managing agents' contract from next year. It is expected that a long list of candidate firms will be drawn up before the Summer with Faraday invited to participate.

#### **Board Meetings**

The Board held 10 full formal meetings in person in 2022; with the ending of the Pandemic virtual attendance wasn't necessary. The Pipework and Water Hygiene Committee continued to meet fortnightly, virtually and in person. The other sub-committees (Estates, Finance, Gardens, House and Estate Manager Committee) met regularly throughout the year.

#### **Board Composition and Election/Re-Election**

Two new Board Members, Mrs Patricia (“Trish”) Babbie and Mr Michael Kightley were nominated in 2022. Mrs Babbie has taken on the role of Company Secretary, previously held by Lady Fowler and Mr Kightley has taken on the Chair of the Estates Committee from Mr Peter Wentzel who tendered his resignation for health reasons in September 2022. Mr Wentzel took on the Chair of the Estates Committee on the sudden death of Michael Cave in May 2021. The Board is most grateful to Mr Wentzel for his contribution to the work of Rivermead Court.

Mrs Babbie has a professional background in education, particularly dyscalculia, while Mr Kightley is a business analyst based on his training as a civil engineer and accountant. The other directors whose mandates expire at the forthcoming AGM and who offer themselves for re-election are Mrs Deborah Richards, Mr Michael Stevens and Mr Timothy (“Tim”) Soane.

Finally, Mr Nicholas (“Nick”) Green is proposed for election at the same meeting as I will be standing down from the Chair of Rivermead Court Limited after seven years and resigning from the Board after 10 years. Mr Green has been an observer at the Finance Committee for some months now to familiarise himself with its work and, subject to his election, will be taking over the Chair of the Finance Committee from Mr Bedell-Pearce who has agreed to continue on the Board. Mr Green's professional background is in finance, specifically international banking with HSBC.

Tim Soane has been chosen as Chair by the Board; he has been a Board member since 2017 and has piloted the Pipework project through its legal, logistical and technical complexities to its successful conclusion.

**RIVERMEAD COURT LIMITED**

**CHAIRMAN'S STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Farewell Remarks**

As from the AGM, I'm resigning from both Chair and Board of Rivermead Court as the two principal goals which I'd set myself – the Lease Extension and the Pipework project - have been accomplished, chiefly through the dedication and expertise of my Board colleagues. I'm very grateful to them for the harmony on the Board which has helped to make my mandate personally so fulfilling. I am also grateful to Anne Isaacs and our porter and cleaning teams for their unstinting efforts to keep Rivermead Court the special place we cherish.

T E Hackett  
Chairman

Date: 9 May 2023

## RIVERMEAD COURT LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

#### Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

#### Principal activity

Rivermead Court Limited is the freeholder of Rivermead Court. The Company purchased the freehold of Rivermead Court from Prudential Assurance Limited with a view to granting long leases of the flats therein to those sitting tenants who wished to own their properties. At the time of the acquisition from the Prudential, a number of the flats were untenanted and long leases for these flats were sold on the open market. Not all the sitting tenants opted to buy long leases at that time, but over the years, all but two of the remaining flats were sold on long leases as they fell vacant. The two remaining flats continued to be let to the sitting tenants at a rent set by the Rent Tribunal. The Company obtained vacant possession of these two flats in May 2017 and in December 2019. The Company has, in the light of likely costs and market conditions, considered its options and refurbished and let these properties on shorthold tenancies for the present time.

#### Directors

The directors who served during the year were:

T E Hackett  
Lady F Fowler  
P G Green  
D L K Richards  
T J Soane  
M J Stevens  
K L Bedell-Pearce  
P A Babbie (appointed 14 June 2022)  
M J Kightley (appointed 22 November 2022)  
P J Wentzel (resigned 22 November 2022)

## RIVERMEAD COURT LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Post balance sheet events

Subsequent to the year end economies and financial markets have continued to be affected by the global uncertainties. This is considered a non-adjusting event at the year end date and details of the Directors' assessment of this event on the Company is included in the going concern note 2.3.

#### Auditors

The auditors, Wellden Turnbull Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

T E Hackett  
Director

Date: 9 May 2023



## RIVERMEAD COURT LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIVERMEAD COURT LIMITED

#### Opinion

We have audited the financial statements of Rivermead Court Limited (the 'Company') for the year ended 31 December 2022, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## RIVERMEAD COURT LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIVERMEAD COURT LIMITED (CONTINUED)

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## RIVERMEAD COURT LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIVERMEAD COURT LIMITED (CONTINUED)

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud, to relate to the timing and recognition of revenue, and the override of controls by management. We have obtained an understanding of the legal and regulatory frameworks that the Company operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Company's operations and reputation. The Companies Act 2006, employee legislation, fire, building, health and safety legislation, Landlord and Tenants legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance as to actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing the valuation methodology used for valuation of the Company's investments including assessing the reasonableness of valuation inputs and assumptions in the context of market available data to assess for indicators of management bias;
- Reviewing and assessing the reasonableness of revenue recognised in the period based on underlying contractual terms and obligations and the requirements of accounting standards, ensuring that income is recorded in the correct period;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**RIVERMEAD COURT LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIVERMEAD COURT LIMITED  
(CONTINUED)**

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

Robin John FCA CTA (senior statutory auditor)

for and on behalf of

**Wellden Turnbull Limited**

Chartered Accountants  
Statutory Auditors

180 Piccadilly  
London  
W1J 9HF

9 May 2023

**RIVERMEAD COURT LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Company income</b>	3	4,573,428	234,627
<b>Company expenditure</b>	3	(2,598,170)	(182,963)
Fair value movements arising on investments		(321,823)	(368,625)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>		1,653,435	(316,961)
Investment income receivable		40,193	39,074
Profit/(loss) on sale of investments		34,826	540,704
Interest receivable and similar income	6	607	13
		<hr/>	<hr/>
<b>Profit before tax</b>		1,729,061	262,830
Tax on profit	7	(234,315)	-
		<hr/>	<hr/>
<b>Profit for the financial year</b>		<u>1,494,746</u>	<u>262,830</u>

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 14 to 19 form part of these financial statements.

**RIVERMEAD COURT LIMITED**  
**REGISTERED NUMBER: 01432634**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	8	163,200	620,841
<b>Current assets</b>			
Stocks	9	29,159	29,159
Debtors: amounts falling due within one year	10	41,245	148,218
Current asset investments	11	2,096,472	2,262,010
Cash at bank and in hand	12	1,783,521	1,146,495
		3,950,397	3,585,882
Creditors: amounts falling due within one year	13	(835,222)	(2,423,094)
<b>Net current assets</b>		3,115,175	1,162,788
<b>Total assets less current liabilities</b>		3,278,375	1,783,629
<b>Net assets</b>		3,278,375	1,783,629
<b>Capital and reserves</b>			
Called up share capital	15	207	207
Other reserves	16	267,575	589,398
Profit and loss account	16	3,010,593	1,194,024
<b>Shareholders' funds</b>		3,278,375	1,783,629

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**T E Hackett**  
 Director

Date: 9 May 2023

The notes on pages 14 to 19 form part of these financial statements.

**RIVERMEAD COURT LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2022	207	589,398	1,194,024	1,783,629
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,494,746	1,494,746
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	1,494,746	1,494,746
Transfer to/from profit and loss account	-	(321,823)	321,823	-
<b>Total transactions with owners</b>	-	(321,823)	321,823	-
<b>At 31 December 2022</b>	<b>207</b>	<b>267,575</b>	<b>3,010,593</b>	<b>3,278,375</b>

The notes on pages 14 to 19 form part of these financial statements.

**RIVERMEAD COURT LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	207	958,023	562,569	1,520,799
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	262,830	262,830
<b>Other comprehensive income for the year</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	262,830	262,830
Transfer to/from profit and loss account	-	(368,625)	368,625	-
<b>Total transactions with owners</b>	-	(368,625)	368,625	-
<b>At 31 December 2021</b>	<b>207</b>	<b>589,398</b>	<b>1,194,024</b>	<b>1,783,629</b>

The notes on pages 14 to 19 form part of these financial statements.



## RIVERMEAD COURT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. General information

Rivermead Court Limited is a private Company, limited by shares, incorporated in England and Wales, registered number 01432634. The registered office is The House Manager's Office, Rivermead Court, Ranelagh Gardens, London, SW6 3SB.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

##### 2.2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions applicable to FRS 102 1A. There were no material departures from the standard.

##### 2.3 Going concern

The financial statements have been prepared on a going concern basis. In assessing the appropriateness of the going concern basis of preparation, the Directors have taken into account the key risks to the business, including the impact on the Company from wider economic and other global uncertainties and its potential impact on the Company's investment portfolio and its financial position. In doing so, the Directors have considered the Company's business model and its availability of cash resources and assessed the Company's cash flow needs.

Having undertaken this assessment, and secured future cash flow considerations, the Directors believe the current market conditions will not have any material impact as the Company has sufficient resources to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The Directors consider it appropriate to therefore prepare the Financial Statements on a going concern basis.

##### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Company income represents income from its properties, lease extensions, ground rent receivable and income from garages, car spaces and storage units.

Revenue is recognised on a receivable basis over the period it is due.

##### 2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

## RIVERMEAD COURT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Accounting policies (continued)

##### 2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### 2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company's tangible fixed assets consist entirely of land and buildings in the form of the garages, store rooms, and staff flats. Because the residual value of these assets exceeds their cost, no depreciation has been charged.

##### 2.8 Valuation of investments

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

##### 2.9 Property stock

Stocks are stated at the lower of cost and net realisable value.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**RIVERMEAD COURT LIMITED**

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

**3. Lease extension and Pipework project**

During the year the Company recognised income of £4,332,500 in premiums from the granting of lease extensions to leaseholders in accord with the offer extended to all leaseholders. The monies raised to date have been used to fund the pipework project.

The Company spent £1,792,679 in the current year and £457,641 in 2021 on the Pipework project and has been recognised as expenditure to date financed by the above funding.

**4. Auditors' remuneration**

During the year, the Company obtained the following services from the Company's auditors:

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	10,620	10,560
	10,620	10,560

**5. Employees**

There were ten Directors who served during the year none of whom received any emoluments (2021 - £nil).

The average monthly number of employees, excluding directors, during the year was 13 (2021 - 13).

**6. Interest receivable**

	2022 £	2021 £
Other interest receivable	607	13
	607	13

**7. Taxation**

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	234,315	-
<b>Total current tax</b>	234,315	-

**Factors affecting tax charge for the year**

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2021 - 19%) adjusted as appropriate for non-taxable items.

**RIVERMEAD COURT LIMITED**

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

**7. Taxation (continued)**

**Factors that may affect future tax charges**

The Company has utilised tax losses available against its profits in the year.

In March 2021, the Chancellor of the Exchequer announced an increase in the corporation tax rate from 19% to 25% with effect from April 2023.

**8. Tangible fixed assets**

	Freehold property £
<b>Cost or valuation</b>	
At 1 January 2022	620,841
Disposals	(457,641)
	163,200
At 31 December 2022	163,200
<b>Net book value</b>	
At 31 December 2022	163,200
At 31 December 2021	620,841

Freehold property comprises garages, storerooms, and staff flats.

**9. Property stock**

	2022 £	2021 £
Property	29,159	29,159
	29,159	29,159

The property stock comprises the two flats whose tenants did not elect to acquire long leases. The Company obtained vacant possession of these flats in May 2017 and in December 2019. These flats are held for sale.

**10. Debtors**

	2022 £	2021 £
Trade debtors	41,245	148,218
	41,245	148,218

**RIVERMEAD COURT LIMITED**

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

**11. Current asset investments**

	2022 £	2021 £
Listed investments	2,096,472	2,262,010
	<u>2,096,472</u>	<u>2,262,010</u>

Listed investments comprise a portfolio of quoted investments managed by Hargreave Hale Limited under the trading name of Canaccord Genuity Wealth Management.

The original cost of the listed investment at 31 December 2022 was £1,828,897 (2021 - £1,672,612).

The fair value movement in the Statement of Comprehensive Income is the annual movement representing the change in fair value / market value adjusted for sales and purchases of investments during the year.

The accumulated fair value movement shown in the balance sheet as other reserves is the cumulative change in fair value / market value compared to the original cost of the investments.

**12. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	1,783,521	1,146,495
	<u>1,783,521</u>	<u>1,146,495</u>

Cash at bank and in hand includes £140,992 (2021 - £140,801) relating to deposits held on trust for leaseholders in a separate bank account.

**13. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Rent received in advance	65,230	65,233
Trade creditors	40,394	11,362
Lease extension monies in advance	-	988,500
Loan from service charge to Company (note 17)	188,587	1,129,400
Corporation tax	234,315	-
Other creditors	140,992	140,801
Accruals and deferred income	165,704	87,798
	<u>835,222</u>	<u>2,423,094</u>

Other creditors relates to deposits held on trust for leaseholders in a separate bank account.

## RIVERMEAD COURT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 14. Financial instruments

	2022 £	2021 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>3,879,993</u>	<u>3,408,505</u>

Financial assets measured at fair value through profit or loss comprise cash at the bank and the market value of the listed investments at the year end.

#### 15. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
207 (2021 - 207) Ordinary shares shares of £1.00 each	<u>207</u>	<u>207</u>

#### 16. Reserves

##### Other reserves

The fair value reserve represents the cumulative difference between the cost and market value of the listed investments.

##### Profit and loss account

The profit and loss account represents cumulative profits and losses net of all adjustments.

#### 17. Related party transactions

At the balance sheet date, the Company owed £188,587 (2021 - £1,129,400) to the service charge comprising items funded by the service charge on behalf of the Company.

A separate set of accounts deals with the service charge, running costs and ongoing maintenance.

The Company paid a service charge of £61,193 (2021 - £58,279) in respect of costs relating to the properties owned by the Company and a service charge of £91,216 (2021 - £nil) in respect of staff costs relating to the management of the Estate of the Company and includes an additional amount arising from the pipe work project.

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 arm's length basis as all other lessees of Rivermead Court.

#### 18. Controlling party

There is no ultimate controlling party.

**RIVERMEAD COURT LIMITED**

**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Company income		4,573,428	234,627
Company expenditure		(2,598,170)	(182,963)
Fair value movement arising on investments		(321,823)	(368,625)
<b>Operating profit/(loss)</b>		<u>1,653,435</u>	<u>(316,961)</u>
Interest receivable		607	13
Investment income		75,019	579,778
Tax on profit on ordinary activities		(234,315)	-
<b>Profit for the year</b>		<u><u>1,494,746</u></u>	<u><u>262,830</u></u>

**RIVERMEAD COURT LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£	£
<b>Income</b>		
Rent receivable from Company owned flats	105,360	100,390
Ground rent receivable	-	2,070
Rent from garages, car spaces and storage units	135,568	132,167
	<u>240,928</u>	<u>234,627</u>
Lease extension monies	4,332,500	-
	<u>4,573,428</u>	<u>234,627</u>
<b>Company income</b>		
<b>Operational expenses</b>		
Investment advisory fees	20,925	13,095
Auditors' remuneration	10,620	10,560
Treasurer's fees	5,928	14,454
Accountancy and taxation fees	1,860	4,303
Bank charges	439	578
Service charge for Company staff costs	91,216	-
Service charge for Company owned flats	61,193	58,279
Repairs and maintenance	71,587	55,294
	<u>263,768</u>	<u>156,563</u>
Professional costs on lease extension and registration	84,082	26,400
Pipework infrastructure costs 2021	457,641	-
Pipework infrastructure costs 2022	1,792,679	-
	<u>2,334,402</u>	<u>26,400</u>
<b>Company expenditure</b>	<u>2,598,170</u>	<u>182,963</u>
<b>Fair value movement arising on investments</b>		
Fair value (gain)/loss arising on investments	<u>321,823</u>	<u>368,625</u>



**RIVERMEAD COURT LIMITED**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
<b>Interest receivable</b>		
Bank interest receivable	607	13
	<u>607</u>	<u>13</u>
	2022 £	2021 £
<b>Investment income</b>		
Income from investments	40,193	39,074
Profit/loss on disposal of listed investments	34,826	540,704
	<u>75,019</u>	<u>579,778</u>