

Company Registration No. 04821101 (England and Wales)

THE PARKS (ILFORD) MANAGEMENT COMPANY LIMITED

**SERVICE CHARGE ACCOUNTS
FOR THE YEAR ENDED
30 JUNE 2022**

tc accounts · tax · legal · financial planning

92 Station Road
Clacton on Sea
Essex
CO15 1SG

The Parks (Iford) Management Company Limited

Company Information

Landlord	The Parks (Iford) Management Company Limited 20 King Street London EC2V 8EG
Managing Agents	Red Rock Estate & Property Management Ltd Red Rock House Oak Business Park Wix Road Beaumont Essex, CO16 0AT
Accountants	TC Group 92 Station Road Clacton-on-Sea Essex CO15 1SG

The Parks (Ifford) Management Company Limited

Contents

	Page
Accountants' report	3
Income and expenditure	4 - 8
Balance sheet	9
Notes to the financial statements	10 - 11
Declaration by managing agents	12

The Parks (Ilford) Management Company Limited

Accountants' Report

These financial statements have been prepared in accordance with our terms of engagement and in order to assist you to prepare the service charge accounts for the year ended 30 June 2022.

You have stated that an audit of the service charge accounts in accordance with International Standards on Auditing is not required under the terms of the lease for The Parks (Ilford) Management Company Limited. In accordance with our engagement letter dated 15 August 2022, we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 4 to 11 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made to the landlord for issue with the service charge accounts in accordance with the terms of our engagement. Our work has been undertaken to enable us to make this report to the Landlord and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Landlord for our work or for this report.

Basis of report

Our work was carried out having regard to Residential service charge accounts published jointly by the professional accounting bodies with ARMA and RICS. In summary, the procedures we carried out with respect to the service charge accounts were:

1. We obtained the service charge accounts and checked whether the figures in the accounts were extracted correctly from the accounting records maintained by or on behalf of the landlord; and
2. We checked, based on a sample, whether entries in the accounting records were supported by receipts, other documentation or evidence that we inspected; and
3. We checked whether the balance of service charge monies for this property shown on page 9 of the service charge accounts agreed or reconciled to the bank statements for the accounts in which the funds are held.

Because the above procedures do not constitute either an audit or review of the financial statements in accordance with International Standards on Auditing (UK and Ireland) or International Standards on Review Engagements, we do not express any assurance on the service charge accounts other than in making the factual statements set out below.

We have prepared these financial statements based on the accounting records, information and explanations provided by you. We do not express any opinion on the financial statements.

Report of factual findings:

- a. With respect to item 1, we found the figures in the statement of account to have been extracted correctly from the accounting records.
- b. With respect to item 2, we found that those entries in the accounting records that we checked were supported by receipts, other documentation or evidence that we inspected.
- c. With respect to item 3, we found that the balance of service charge monies shown on page 9 of the service charge account agrees or reconciles to the bank statement for the accounts in which the funds are held.

TC Group

23/2/2023

92 Station Road
Clacton on Sea
Essex
CO15 1SG

TC Group .

The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account
For The Year ended 30 June 2022

Schedule A - Estate

	Budget 2022 £	Actual 2022 £	Actual 2021 £
Income			
Service charges receivable	70,854	70,967	94,364
Insurance receivable	-	3,593	-
Other interest receivable	-	643	44
Reserve	-	1,060	-
Total income	<u>70,854</u>	<u>76,263</u>	<u>94,408</u>
Expenditure			
Garden Maintenance	12,500	13,469	16,188
Refuse Removal	12,000	2,400	31,450
Prior year - Refuse Removal	-	2,772	-
Water Consumption & Sewerage	-	639	-
Prior year - Water Consumption & Sewerage	-	1,140	-
Disbursements	-	-	266
Company expenses	600	931	800
Security	10,210	-	-
CCTV Maintenance	20,000	29,851	-
General Repairs	3,000	-	-
Electrical repairs	500	3,768	3,335
Car park maintenance	-	-	2,010
Pest control	3,500	2,004	240
Health and safety	1,680	3,528	996
Jet washing	-	-	15,041
Electricity Consumption	2,300	-	-
Managing Agent Charges	-	-	50,880
Accountancy fees	3,000	2,989	3,060
Legal & Professional	1,000	1,382	-
Telephone & Postage	264	1,215	-
Bank Charges	300	718	-
Reserve	-	1,000	1,000
Total expenditure	<u>70,854</u>	<u>67,806</u>	<u>125,266</u>
Surplus/(Deficit)	<u>-</u>	<u>8,457</u>	<u>(30,858)</u>

The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account (Continued)
For The Year ended 30 June 2022

Schedule B - Block

	Budget 2022 £	Actual 2022 £	Actual 2021 £
Income			
Service charges receivable	97,927	97,926	72,050
Insurance receivable	-	-	35,190
Reserve	-	8,070	-
Total income	<u>97,927</u>	<u>105,996</u>	<u>107,240</u>
Expenditure			
Cleaning	20,000	22,691	22,472
Drainage System	-	-	696
Buildings Insurance	28,000	24,102	35,190
Terrorism Insurance	-	6,791	-
D&O Insurance	260	-	-
Insurance Premiums Loss	2,568	3,409	-
Insurance claim received	-	-	6,730
Door Entry Systems	3,000	2,998	1,030
General Repairs	20,839	27,139	33,419
Prior Year - General Repairs	-	8,928	-
Electrical Repairs	1,000	1,775	3,672
Out of Hours Call Out Charges	3,210	1,968	-
Emergency Light Testing	5,400	1,567	3,312
Aerial System Repairs	450	-	-
Fire & Smoke Systems	4,000	8,596	20,115
Prior year - Fire & Smoke Systems	-	69	-
Roof Inspection & Repairs	-	13,209	14,627
Prior year - Roof Repairs	-	4,344	-
Satellite/TV System	-	-	740
Pest control	500	-	3,006
Electricity Consumption	8,700	9,569	2,928
Prior year - Electricity Consumption	-	3,015	-
Reserve	-	8,000	4,000
Roofing Reserve	-	-	5,000
Total expenditure	<u>97,927</u>	<u>148,170</u>	<u>143,477</u>
Surplus/(Deficit)	<u>-</u>	<u>(42,174)</u>	<u>(36,237)</u>

The Parks (Ilford) Management Company Limited
Service Charge Income Expenditure Account (Continued)
For The Year ended 30 June 2022

Schedule C - Lift

	Budget 2022 £	Actual 2022 £	Actual 2021 £
Income			
Service charges receivable	5,400	5,404	7,900
Reserve	-	504	-
Total income	<u>5,400</u>	<u>5,908</u>	<u>7,900</u>
Expenditure			
Cleaning	-	-	129
Insurance	600	1,027	-
Lift maintenance	4,500	2,103	2,581
Lift Telephones	300	299	-
Reserve	-	500	1,000
Total expenditure	<u>5,400</u>	<u>3,929</u>	<u>3,710</u>
Surplus/(Deficit)	<u>-</u>	<u>1,979</u>	<u>4,190</u>

The Parks (Ilford) Management Company Limited
Service Charge Income Expenditure Account (Continued)
For The Year ended 30 June 2022

Schedule D - Houses

	Budget 2022 £	Actual 2022 £	Actual 2021 £
Income			
Service charges receivable	6,540	6,540	-
Total income	<u>6,540</u>	<u>6,540</u>	<u>-</u>
Expenditure			
Managing Agent Charges	6,540	7,357	-
Total expenditure	<u>6,540</u>	<u>7,357</u>	<u>-</u>
Surplus/(Deficit)	<u>-</u>	<u>(817)</u>	<u>-</u>

The Parks (Ilford) Management Company Limited
Service Charge Income Expenditure Account (Continued)
For The Year ended 30 June 2022

Schedule E - Flats	Budget 2022 £	Actual 2022 £	Actual 2021 £
Income			
Service charges receivable	16,686	16,686	-
Total income	<u>16,686</u>	<u>16,686</u>	<u>-</u>
Expenditure			
Managing Agent Charges	16,686	18,772	-
Total expenditure	<u>16,686</u>	<u>18,772</u>	<u>-</u>
Surplus/(Deficit)	<u>-</u>	<u>(2,086)</u>	<u>-</u>

The Parks (Ilford) Management Company Limited

Balance Sheet
As At 30 June 2022

	Notes	2022 £	2021 £
Current assets			
Debtors	4	133,286	114,246
Cash at Bank	5	2,792	31,667
Total assets		<u>136,078</u>	<u>145,913</u>
Current liabilities	6	62,614	81,949
Net assets		<u>73,464</u>	<u>63,964</u>
Reserves			
General reserve	7	73,464	63,964
Balance at 30 June 2022		<u>73,464</u>	<u>63,964</u>

The statement of accounts were approved by the board of directors and authorised for issue on and are signed on its behalf by:

N A Masiello

N A

Digitally signed

by N A Masiello

Date: 2023.02.27

10:00:28 Z

Masiello

Director

The Parks (Ilford) Management Company Limited

Notes To The Service Charge Accounts
For The Year Ended 30 June 2022

1. Accounting policies

The accounts are prepared in accordance with the provisions of the lease and on the accruals basis.

2. Expenditure

Red Rock became the management company on the first day of this set of accounts. There were invoices amounting to £20,267 that hadn't been accounted for in the prior year. These invoices have been included in the current period.

3. Taxation

Service charge monies are held on trust in accordance with section 42, Landlord and Tenant Act 1987. Interest earned on service charge monies held on deposit is taxable at the basic rate of income tax. The rate of tax applied to interest received during the year was 19% (2021: 19%).

4. Debtors

	2022 £	2021 £
Service charges owed	-	49,023
Uncollected deficits from previous years	64,000	1,096
Service charge deficit receivable	34,641	62,904
Prepayments	9,183	1,223
Other Debtors	11,962	-
Late fees owing	13,500	-
	<u>133,286</u>	<u>114,246</u>

5. Bank account

	2022 £	2021 £
Service charge accounts	2,792	5,465
Reserve fund	-	26,202
	<u>2,792</u>	<u>31,667</u>

All client monies are held by way of a statutory trust, in a designated Client Bank Account at National Westminster Bank Plc, 25 High Street, Colchester, Essex CO1 1DG in accordance with Section 42 and Section 42A of the Landlord & Tenant Act 1987.

6. Creditors

	2022 £	2021 £
Payments received on account	-	28,105
Service charges owed	11,508	-
Trade creditors	43,133	49,213
Accruals	2,449	3,060
Other creditors	-	1,571
Loan	5,524	-
	<u>62,614</u>	<u>81,949</u>

The Parks (Ilford) Management Company Limited

**Notes To The Service Charge Accounts (Continued)
For The Year Ended 30 June 2022**

7. Reserve funds	2022	2021
	£	£
Balance brought forward	63,964	77,364
Interest	-	14
Reserve fund A - Estate	1,000	-
Reserve fund B - Block	8,000	-
Reserve fund C - Lift	500	-
Expenditure spent	-	- 13,414
Balance carried forward	<u>73,464</u>	<u>63,964</u>

The reserve fund has been established to meet the cost of large, non-regular repair and maintenance work. The present level of the fund may prove insufficient, given the substantial costs which could be incurred and the uncertainty as to when further such costs may arise.

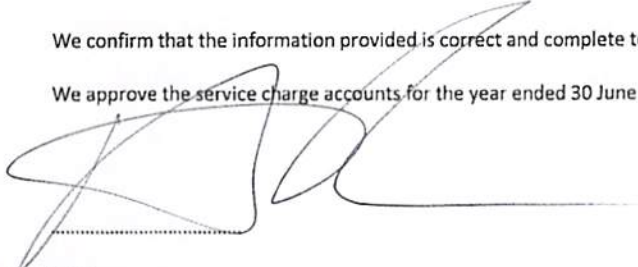
Any shortfall in these funds resulting from expenditure incurred will be charged to the Income and Expenditure account in that year

The Parks (Ilford) Management Company Limited

Declaration By Managing Agents

We confirm that the information provided is correct and complete to the best of our knowledge and belief.

We approve the service charge accounts for the year ended 30 June 2022 as set out on pages 1 to 11.

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal tail.

Date:
Red Rock Estate & Property Management Ltd
Oak Business Park,
Wix Road,
Beaumont
Essex, CO16 0AT