

Company Registration No. 04821101 (England and Wales)

**THE PARKS (ILFORD) MANAGEMENT COMPANY LIMITED**

**SERVICE CHARGE ACCOUNTS**

**FOR THE YEAR ENDED**

**30 JUNE 2023**

**tc** accounts · tax · legal · financial planning

92 Station Road  
Clacton on Sea  
Essex  
CO15 1SG

**The Parks (Ilford) Management Company Limited**

**Company Information**

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

**The Parks (Ilford) Management Company Limited**

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**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 2023.

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**

13/12/2023  
.....  
92 Station Road  
Clacton on Sea  
Essex  
CO15 1SG

The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account  
For The Year ended 30 June 2023

Schedule A - Estate

|   | Budget<br>2023<br>£ | Actual<br>2023<br>£ | Actual<br>2022<br>£ |
|---|---------------------|---------------------|---------------------|
| <b>Income</b>                             |                     |                     |                     |
| Service charges receivable                | 59,809              | 60,277              | 70,967              |
| Insurance receivable                      | -                   | -                   | 3,593               |
| Other interest receivable                 | -                   | -                   | 643                 |
| Reserve                                   | 1,000               | 1,065               | 1,060               |
| Total income                              | <u>60,809</u>       | <u>61,342</u>       | <u>76,263</u>       |
| <b>Expenditure</b>                        |                     |                     |                     |
| Garden Maintenance                        | 12,500              | 11,938              | 13,469              |
| Refuse Removal                            | 3,000               | -                   | 2,400               |
| Prior year - Refuse Removal               | -                   | -                   | 2,772               |
| Drainage maintenance                      | -                   | 1,032               | -                   |
| Water Consumption & Sewerage              | -                   | 770                 | 639                 |
| Prior year - Water Consumption & Sewerage | -                   | -                   | 1,140               |
| Disbursements                             | -                   | -                   | -                   |
| Company expenses                          | 600                 | 798                 | 931                 |
| Security                                  | -                   | -                   | -                   |
| CCTV Maintenance                          | 2,000               | 342                 | 29,851              |
| General Repairs                           | 5,000               | 240                 | -                   |
| Electrical repairs                        | 1,000               | -                   | 3,768               |
| Car park maintenance                      | -                   | -                   | -                   |
| Pest control                              | 1,000               | 1,648               | 2,004               |
| Health and safety                         | 2,016               | 3,096               | 3,528               |
| Loss Assessor                             | -                   | 3,082               | -                   |
| Jet washing                               | -                   | -                   | -                   |
| Electricity Consumption                   | 3,500               | -                   | -                   |
| Managing Agent Charges                    | 23,993              | -                   | -                   |
| Accountancy fees                          | 3,000               | 2,486               | 2,989               |
| Legal & Professional                      | 1,000               | 1,065               | 1,382               |
| Telephone & Postage                       | 500                 | 275                 | 1,215               |
| Bank Charges                              | 700                 | 712                 | 718                 |
| Reserve                                   | 1,000               | - 5,385             | 1,000               |
| Total expenditure                         | <u>60,809</u>       | <u>22,099</u>       | <u>67,806</u>       |
| Surplus/(Deficit)                         | <u>-</u>            | <u>39,243</u>       | <u>8,457</u>        |

The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account (Continued)  
For The Year ended 30 June 2023

Schedule B - Block

|                                      | Budget<br>2023<br>£ | Actual<br>2023<br>£ | Actual<br>2022<br>£ |
|--------------------------------------|---------------------|---------------------|---------------------|
| <b>Income</b>                        |                     |                     |                     |
| Service charges receivable           | 130,939             | 130,384             | 97,926              |
| Insurance receivable                 | -                   | -                   | -                   |
| Reserve                              | 8,000               | 8,160               | 8,070               |
| Total income                         | <u>138,939</u>      | <u>138,544</u>      | <u>105,996</u>      |
| <b>Expenditure</b>                   |                     |                     |                     |
| Cleaning                             | 20,000              | 18,333              | 22,691              |
| Internal decorating                  | 25,000              | 4,477               | -                   |
| Drainage System                      | -                   | 2,550               | -                   |
| Buildings Insurance                  | 32,000              | 24,824              | 24,102              |
| Terrorism Insurance                  | -                   | 6,791               | 6,791               |
| D&O Insurance                        | 350                 | 346                 | -                   |
| Insurance Premiums Loss              | -                   | -                   | 3,409               |
| Insurance claim received             | -                   | -                   | -                   |
| Door Entry Systems                   | 5,000               | 4,971               | 2,998               |
| General Repairs                      | 20,839              | 9,401               | 27,139              |
| Prior Year - General Repairs         | -                   | -                   | 8,928               |
| Electrical Repairs                   | 2,000               | 1,241               | 1,775               |
| Out of Hours Call Out Charges        | -                   | -                   | 1,968               |
| Emergency Light Testing              | 5,400               | 4,214               | 1,567               |
| Fixed Electrical Testing             | -                   | 1,440               | -                   |
| Aerial System Repairs                | 450                 | 180                 | -                   |
| Fire & Smoke Systems                 | 5,400               | 9,341               | 8,596               |
| Prior year - Fire & Smoke Systems    | -                   | -                   | 69                  |
| Roof Inspection & Repairs            | -                   | 24,396              | 13,209              |
| Prior year - Roof Repairs            | -                   | -                   | 4,344               |
| Satellite/TV System                  | -                   | -                   | -                   |
| Pest control                         | 1,000               | 3,105               | -                   |
| Electricity Consumption              | 13,500              | 8,536               | 9,569               |
| Prior year - Electricity Consumption | -                   | -                   | 3,015               |
| Reserve                              | 8,000               | 8,160               | 8,000               |
| Roofing Reserve                      | -                   | -                   | -                   |
| Transfer internal decorating         | -                   | 10,000              | -                   |
| Total expenditure                    | <u>138,939</u>      | <u>142,305</u>      | <u>148,170</u>      |
| Surplus/(Deficit)                    | <u>-</u>            | <u>(3,761)</u>      | <u>(42,174)</u>     |

The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account (Continued)  
For The Year ended 30 June 2023

Schedule C - Lift

|                            | Budget<br>2023<br>£ | Actual<br>2023<br>£ | Actual<br>2021<br>£ |
|----------------------------|---------------------|---------------------|---------------------|
| <b>Income</b>              |                     |                     |                     |
| Service charges receivable | 4,900               | 5,077               | 5,404               |
| Reserve                    | 500                 | 522                 | 504                 |
| Total income               | <u>5,400</u>        | <u>5,599</u>        | <u>5,908</u>        |
| <b>Expenditure</b>         |                     |                     |                     |
| Cleaning                   | -                   | -                   | -                   |
| Insurance                  | 600                 | 570                 | 1,027               |
| Lift contract              | 3,000               | 130                 |                     |
| Lift maintenance           | 1,000               | 5,006               | 2,103               |
| Lift Telephones            | 300                 | 1,705               | 299                 |
| Reserve                    | 500                 | 522                 | 500                 |
| Total expenditure          | <u>5,400</u>        | <u>7,933</u>        | <u>3,929</u>        |
| Surplus/(Deficit)          | <u>-</u>            | <u>(2,334)</u>      | <u>1,979</u>        |

The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account (Continued)  
For The Year ended 30 June 2023

Schedule D - Houses

|                            | Budget<br>2023<br>£ | Actual<br>2023<br>£ | Actual<br>2022<br>£ |
|----------------------------|---------------------|---------------------|---------------------|
| <b>Income</b>              |                     |                     |                     |
| Service charges receivable | -                   | -                   | 6,540               |
| Total income               | <u>-</u>            | <u>-</u>            | <u>6,540</u>        |
| <b>Expenditure</b>         |                     |                     |                     |
| Managing Agent Charges     | -                   | 6,718               | 7,357               |
| Total expenditure          | <u>-</u>            | <u>6,718</u>        | <u>7,357</u>        |
| Surplus/(Deficit)          | <u>-</u>            | <u>(6,718)</u>      | <u>(817)</u>        |



The Parks (Ilford) Management Company Limited

Service Charge Income Expenditure Account (Continued)  
For The Year ended 30 June 2023

Schedule E - Flats

|                            | Budget<br>2023<br>£ | Actual<br>2023<br>£ | Actual<br>2022<br>£ |
|----------------------------|---------------------|---------------------|---------------------|
| <b>Income</b>              |                     |                     |                     |
| Service charges receivable | -                   | -                   | 16,686              |
| Total income               | <u>-</u>            | <u>-</u>            | <u>16,686</u>       |
| <b>Expenditure</b>         |                     |                     |                     |
| Managing Agent Charges     | -                   | 17,275              | 18,772              |
| Total expenditure          | <u>-</u>            | <u>17,275</u>       | <u>18,772</u>       |
| Surplus/(Deficit)          | <u>-</u>            | <u>(17,275)</u>     | <u>(2,086)</u>      |

The Parks (Ilford) Management Company Limited

Balance Sheet  
As At 30 June 2023

|                            | Notes | 2023<br>£      | 2022<br>£      |
|----------------------------|-------|----------------|----------------|
| <b>Current assets</b>      |       |                |                |
| Debtors                    | 3     | 86,123         | 133,286        |
| Cash at Bank               | 4     | 57,730         | 2,792          |
| Total assets               |       | <u>143,853</u> | <u>136,078</u> |
| <b>Current liabilities</b> | 5     | 43,562         | 62,614         |
| <b>Net assets</b>          |       | <u>100,291</u> | <u>73,464</u>  |
| <b>Reserves</b>            |       |                |                |
| General reserve            | 6     | 100,291        | 73,464         |
| Balance at 30 June 2023    |       | <u>100,291</u> | <u>73,464</u>  |

The statement of accounts were approved by the board of directors and authorised for issue on 13/12/23 and are signed on its behalf by:

*Shahjahan Durrani*  
.....

Director

The Parks (Ilford) Management Company Limited

Notes To The Service Charge Accounts  
For The Year Ended 30 June 2023

**1. Accounting policies**

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

**2. 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% (2022: 19%).

**3. Debtors**

|  | 2023<br>£     | 2022<br>£      |
|--|---------------|----------------|
| Service charges owed                     | 11,989        | -              |
| Uncollected deficits from previous years | -             | 64,000         |
| Service charge deficit receivable        | 30,088        | 34,641         |
| Prepayments                              | 16,700        | 9,183          |
| Other Debtors                            | 10,007        | 11,962         |
| Late fees owing                          | 17,339        | 13,500         |
|  | <u>86,123</u> | <u>133,286</u> |

**4. Bank account**

|                         | 2023<br>£     | 2022<br>£    |
|-------------------------|---------------|--------------|
| Service charge accounts | 57,730        | 2,792        |
| Reserve fund            | -             | -            |
|                         | <u>57,730</u> | <u>2,792</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.

Account name: RR The Parks Client Account. Account number: 28204735. Sort Code: 60-06-06.

**5. Creditors**

|                              | 2023<br>£     | 2022<br>£     |
|------------------------------|---------------|---------------|
| Payments received on account | -             | -             |
| Service charges owed         | -             | 11,508        |
| Trade creditors              | - 1,072       | 43,133        |
| Accruals                     | 5,392         | 2,449         |
| Other creditors              | 39,243        | -             |
| Loan                         | -             | 5,524         |
|                              | <u>43,562</u> | <u>62,614</u> |

The Parks (Ilford) Management Company Limited

Notes To The Service Charge Accounts (Continued)  
For The Year Ended 30 June 2023

6. Reserve funds

|                         | 2023<br>£      | 2022<br>£     |
|-------------------------|----------------|---------------|
| <b>Reserve fund A</b>   |                |               |
| Balance brought forward | 11,592         |               |
| Movement in the year    | <u>1,976</u>   |               |
| Balance carried forward | <u>13,568</u>  | <u>11,592</u> |
| <b>Reserve fund B</b>   |                |               |
| Balance brought forward | 50,797         |               |
| Movement in the year    | <u>18,160</u>  |               |
| Balance carried forward | <u>68,957</u>  | <u>50,797</u> |
| <b>Reserve fund C</b>   |                |               |
| Balance brought forward | 11,074         |               |
| Movement in the year    | <u>6,691</u>   |               |
| Balance carried forward | <u>17,765</u>  | <u>11,074</u> |
|                         | <u>100,291</u> | <u>73,464</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 2023 as set out on pages 1 to 11.



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Date: 15/12/2023

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