

STATEMENT OF FINANCIAL POSITION

31/03/2019

ASSETS	LIABILITIES
Fixed Assets	Capital
Current Assets	Reserves
	Other

**THE PARKS (ILFORD) MANAGEMENT**

**SERVICE CHARGE INCOME AND EXPENDITURE ACCOUNTS  
YEAR ENDED 30 JUNE 2019**

INCOME	EXPENDITURE
Service Charge Income	Administrative Expenses
	Repairs and Maintenance
	Staff Costs
	Other

**THE PARKS (ILFORD) MANAGEMENT**

**SERVICE CHARGE ACCOUNTS**

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**Landlord**                      **The Parks (Ilford) Management Co Limited**  
20 King Street  
London  
EC2V 8EG

**Managing Agents**            **JPW Real Estate**  
20 King Street  
London  
EC2V 8EG

**Accountants**                    **Axis Accountants Limited**  
Chartered Certified Accountants  
& Registered Auditors  
8 Deer Park Road  
Wimbledon  
London  
SW19 3GY

**THE PARKS (ILFORD) MANAGEMENT**

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**THE PARKS (ILFORD) MANAGEMENT**

**ACCOUNTANTS' REPORT OF FACTUAL FINDINGS TO THE LANDLORD OF THE PARKS (ILFORD)  
MANAGEMENT  
YEAR ENDED 30 JUNE 2019**

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. In accordance with our engagement letter dated 24 December 2019, we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 5 to 9 in respect of The Parks (Ilford) Management for the year ended 30 June 2019 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 accountancy 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;
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 6 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 a review made 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.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing (UK and Ireland) or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

**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.



**THE PARKS (ILFORD) MANAGEMENT**

**ACCOUNTANTS' REPORT OF FACTUAL FINDINGS TO THE LANDLORD OF THE PARKS (ILFORD)  
MANAGEMENT  
YEAR ENDED 30 JUNE 2019**

Continued...

(c) With respect to item 3 we found that the balance of service charge monies shown on page 7 of the service charge accounts agrees or reconciles to the bank statement for the accounts in which the funds are held.

*Axis Accountants Ltd*

Axis Accountants Limited  
Chartered Certified Accountants and Registered Auditors

8 Deer Park Road  
Wimbledon  
London  
SW19 3GY

30/12/2019

**THE PARKS (ILFORD) MANAGEMENT**

**SERVICE CHARGE INCOME AND EXPENDITURE ACCOUNT  
YEAR ENDED 30 JUNE 2019**

	2019	2018
	£	£
<b>Income</b>		
Service charge receivable	129,570	128,316
Water receivable	12,451	27,407
Insurance receivable	33,097	32,717
Interest received	72	33
	<u>175,190</u>	<u>188,473</u>
<b>Expenditure</b>		
<b>Schedule A</b>		
Cleaning	3,490	1,248
Garden maintenance	16,491	10,934
Bulk refuse collection	90,926	14,927
Disbursements	2,861	1,013
Electricity	933	870
Company expenses	920	1,147
General repairs and maintenance	1,434	-
Electrical repairs	320	-
Pest control	2,769	-
Car park maintenance	250	-
Management fees	26,137	25,376
Accountancy fee	2,750	3,000
Prior year expenses adjustment	(4,952)	-
<b>Schedule B</b>		
Cleaning	19,778	11,232
Insurance	33,097	32,680
Door security	-	612
Access control	5,847	-
Parking control (net of recoveries)	-	144
General repairs and maintenance	33,783	36,033
Keys/Fobs	(62)	-
Fire alarm maintenance	11,808	-
Electricity	3,499	4,928
Electrical repairs	-	2,267
Fire protection/emergency lighting	-	6,527
Aerials	-	138
Directors and officers insurance	587	40
Car park maintenance	-	1,134
M & E	-	234
Reserve fund costs	5,000	5,000
Roof works	5,000	5,000
Prior year expenses adjustment	(7,712)	-
<b>Schedule C</b>		
Lift maintenance	4,339	3,429
Engineering insurance	851	403

**THE PARKS (ILFORD) MANAGEMENT**

**SERVICE CHARGE ACCOUNTS (CONTINUED)  
YEAR ENDED 30 JUNE 2019**

	2019	2018
	£	£
Water	12,451	29,182
Total expenditure	<u>212,595</u>	<u>197,498</u>
<b>Surplus/(Deficit) for the year</b>	<u><b>(37,405)</b></u>	<u><b>(9,025)</b></u>

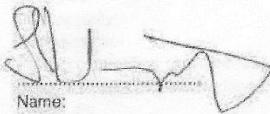


**THE PARKS (ILFORD) MANAGEMENT**

**SERVICE CHARGE BALANCE SHEET  
30 JUNE 2019**

	Note	2019		2018	
		£	£	£	£
<b>Current assets</b>					
Debtors	2	114,945		134,271	
Cash at bank and in hand		96,663		76,184	
		<u>211,608</u>		<u>210,455</u>	
<b>Creditors: amounts falling due within one year</b>					
	4	(117,432)		(115,178)	
<b>Net current assets</b>			94,176		95,277
<b>Total assets less current liabilities</b>			<u>94,176</u>		<u>95,277</u>
<b>Net assets</b>			<u>94,176</u>		<u>95,277</u>
<b>Reserves</b>					
Reserve fund			94,176		95,277
			<u>94,176</u>		<u>95,277</u>

This statement of account was approved by JPW Real Estate on 30th December 2019 and signed by on behalf of JPW Real Estate.



S.P. WAINWRIGHT-FRANCIS

Name:



**THE PARKS (ILFORD) MANAGEMENT**

**NOTES TO THE SERVICE CHARGE ACCOUNTS  
YEAR ENDED 30 JUNE 2019**

**1. Accounting policies**

**Basis of preparation**

The accounts are prepared in accordance with the provision of lease and on the accrual basis.

**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% (2017: 20%).

**2. Debtors**

	2019	2018
	£	£
Service charges owed	31,548	84,587
Water charges receivable	30,613	30,613
Service charge deficit receivable	37,405	9,025
Prepayments and other debtors	15,379	10,046
	<u>114,945</u>	<u>134,271</u>

**3. Bank accounts**

	2019	2018
	£	£
Service Charge Accounts	21,218	16,341
Reserve fund	75,445	59,843
	<u>96,663</u>	<u>76,184</u>

Service charge money is held in trust at Barclays Bank PLC, 1 Churchill Place, London, E14 5HP under the titles JPW Property Management Client Account 071/01 The Park (Ilford) Management Ltd Reserve and JPW Property Management Client Account 071/01 The Park (Ilford) Management Ltd SC and HSBC UK, PO Box 1EZ 196, Oxford Street, London, W1D 1NT under the title JPW Property Management Ltd Client Account 071/01 The Parks (Ilford) Management Co Ltd SC.

**4. Creditors: amounts falling due within one year**

	2019	2018
	£	£
Payments received on account	49,946	33,097
Trade creditors	41,428	67,469
Accruals	3,385	8,265
Surplus due to the lessees 2017	-	4,150
Other creditors	22,673	2,197
	<u>117,432</u>	<u>115,178</u>

**THE PARKS (ILFORD) MANAGEMENT**

**NOTES TO THE SERVICE CHARGE ACCOUNTS  
YEAR ENDED 30 JUNE 2019**

5. Reserve fund	2019	2018
	£	£
Balance brought forward	95,277	85,207
Interest	179	70
Reserve fund demanded	5,000	5,000
Reserve fund demanded for roofing	5,000	5,000
Expenditure	(11,280)	-
	<u>94,176</u>	<u>95,277</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.