

Knights Grove (North Baddesley)

SERVICE CHARGE ACCOUNTS

from 1st January 2012 to 31st December 2012

Service Charge Statement of Account for Knights Grove (North Baddesley)For the Accounting Year from 1st January 2012 to 31st December 2012Income and Expenditure Account

	£	Actual £	Budget £
<u>Repairs & Maintenance</u>			
Cleaning Contract		5,954	6,000
Communal Window Cleaning		1,654	1,776
Door Entry System		-	400
Drainage & Sewerage		422	599
Refuse Collection		300	340
Fire Equipment Maintenance		(101)	665
Electrical Maintenance		1,256	1,500
General Repairs & Maintenance		8,831	6,893
Pest Control		198	-
Five Year Electrical Test		99	-
<u>Grounds Maintenance</u>			
Grounds Maintenance		14,991	17,401
Tree Surgery		718	-
<u>Insurance</u>			
Buildings Insurance		4,006	3,750
Terrorism Insurance		153	-
Insurance Valuation		647	860
Legal Insurance		29	724
<u>Professional Fees</u>			
Management Fees		17,764	17,764
Company Secretarial Fees		780	779
Directorship Fees		1,296	1,201
Accountancy Fees		2,234	2,236
Health & Safety		1,114	1,539
Legal & Professional Fees		2,450	-
Sundry Expenses		2,665	1,136
Rent Collection Fee		886	-
<u>Utilities</u>			
Electricity		(318)	1,501
Water		34	86
<u>Contributions Transferred to Reserve Fund</u>			
Reserve Fund Contribution		5,799	5,799
TOTAL EXPENDITURE		<u>£73,861</u>	<u>£72,949</u>
<u>Income</u>			
Service Charges Receivable	67,150		
Reserve Fund Charges Receivable	<u>5,799</u>		
		72,949	
<u>Interest Received</u>			
Bank Interest Received	<u>4</u>		
Net Interest		4	

SURPLUS/(DEFICIT) AT END OF ACCOUNTING YEAR

(£908)

FOR AND ON BEHALF OF
RESIDENTIAL MANAGEMENT GROUP LTD.
 Approved by the Board on 26.12.12 and signed on its behalf by

.....
 Director

.....
AUTHORISED SIGNATORY

Service Charge Statement of Account for Knights Grove (North Baddesley)Balancing Statement as at 31st December 2012

	Notes	£	£
<u>ASSETS</u>			
Service Charges Owed by Tenants			10,457
Sundry Debtors			1,094
Sums Paid in this Period but Relating to Subsequent Periods	4		3,455
Balances Held: Cash at Bank and in Hand	5		<u>32,075</u>
			47,081
<u>LESS: LIABILITIES</u>			
Service Charges Paid in Advance:			
i) by tenants		9,912	
Costs Relating to this or Previous Period but not Yet Paid	6	<u>4,866</u>	
			14,778
<u>NET ASSETS / (LIABILITIES)</u>			<u><u>£32,303</u></u>
<u>RESERVE FUND</u>	3		33,825
<u>INCOME & EXPENDITURE RESERVE</u>	7		(1,522)
			<u><u>£32,303</u></u>

**FOR AND ON BEHALF OF
RESIDENTIAL MANAGEMENT GROUP LTD.**

Approved by the Board on 26/3/13 and signed on its behalf by


..... Director
AUTHORISED SIGNATORY

Notes to Service Charge Statement of Account for Knights Grove (North Baddesley)**For the Accounting Year from 1st January 2012 to 31st December 2012**1 Accounting policies

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

2 Tax provided on bank interest received

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 20% which was deducted at source.

3 Reserve Fund(s)

The reserve fund has been established in accordance with the lease to provide funds to meet the costs of future anticipated expenditure

	£	£
Balance Brought Forward from 31st December 2011	30,572	
Previous Year Adjustment	64	
Reserve Fund Bank Account Interest Received Net	6	
Reserve Fund Transferred in the Year	<u>5,799</u>	
		36,441
Less Expenditure		
Project Management Fee		576
Tree Surgery		<u>2,040</u>
		<u>£33,825</u>
Reserve Fund Bank Account Total		20,144
Balance Due From Service Charge Funds		13,681
Balance		<u>£33,825</u>

For the Accounting Year from 1st January 2012 to 31st December 2012

4 Sums Paid in this Period but Relating to Subsequent Periods

	£
Terrorism Insurance	108
Buildings Insurance	1,495
Legal Insurance	20
Five Year Electrical Test	397
Insurance Valuation	1,289
Electricity	146
	<u>£3,455</u>

5 Balances Held: Cash at Bank and in Hand

	£
Cash at Bank and in Hand - Service Charge Funds	11,931
Cash at Bank and in Hand - Reserve Funds	20,144
	<u>£32,075</u>

All bank accounts are held in trust in accordance with S.42 (Landlord & Tenant Act 1987) at;

Halifax Bank of Scotland (HBOS), New Uberior House, 11 Earl Grey Street, EH3 9BN

Under the title;

Account Name: Knights Grove Client A/C
Account Number(s): 06672708, 06886118, 06886097

For the Accounting Year from 1st January 2012 to 31st December 2012

6 Costs Relating to this or Previous Period but not Yet Paid

	£
Accountancy Fees	2,234
Electricity	(626)
Water	92
Legal & Professional Fees	660
Cleaning Contract	485
Grounds Maintenance	1,115
General Repairs & Maintenance	906
	<u>£4,866</u>

7 Income & Expenditure Reserve

	£
Balance Brought Forward from 31st December 2011	(15,757)
Income Adjustment Relating to Prior Years	15,143
Current Year Deficit transferred	(908)
income & Expenditure Reserve Balance as at 31st December 2012	<u>(£1,522)</u>

8 Transactions with directors of Knights Grove (North Baddesley) MCL

During the period, an employee of Residential Management Group Limited was a Director of the company. Residential Management Group Limited acted as managing agent and may have provided associated services including accounts preparation and the arrangement of insurance. Insurance is arranged through Barbon Insurance Group Limited which is a company whose parent company is the same as that of Residential Management Group Ltd. Company Secretarial services may have provided by Hertford Company Secretaries Limited, a subsidiary of Residential Management Group Limited.

Knights Grove (North Baddesley)

Expenditure for the Period

from 1st January 2012 to 31st December 2012

Independent Accountant's report to the Landlord / Managing Agent of Knights Grove (North Baddesley)

In accordance with the terms of our engagement, we have examined the service charge statement of account set out on pages one to five in respect of Knights Grove (North Baddesley) for the year ended 31st December 2012 together with the books and records maintained by the Managing Agent in so far as they relate to Knights Grove (North Baddesley) .

This report is made to the Landlord / Managing Agent for issue with the service charge statement in accordance with section 21 of the Landlord and Tenant Act 1985. Our work has been undertaken to enable us to make this report to the Landlord / Managing Agent 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.

Under the terms of this engagement, we are not required to, and did not, form any opinion as to either the reasonableness of the costs included within the service charge statement or the standard of the services or works provided.

Respective responsibilities of the Landlord and independent Accountant

Under the Landlord and Tenant Act 1985, the Landlord is responsible for the preparation of this service charge statement in respect of the costs in respect of Knights Grove (North Baddesley) . The Managing Agent may have undertaken responsibility for the preparation of the service charge statement on behalf of the Landlord. It is our responsibility to form an independent opinion, based on our examination, on the service charge statement and to report our opinion to the Landlord / Managing Agent.

Basis of opinion

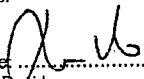
We have planned and performed our examination so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the service charge statement is a fair summary of the costs relating to Knights Grove (North Baddesley) and is sufficiently supported by accounts, receipts and other documents which have been made available to us. In view of the purpose of which this service charge statement has been prepared, however, we did not evaluate the overall adequacy of the presentation of the information which would have been required if we were to express audit opinion under the International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board.

Certificate

We certify that:

- a) In our opinion the service charge statement is a fair summary complying with the requirements of section 21 (5) of the Landlord and Tenant Act 1985.
- b) The summary is sufficiently supported by accounts, receipts and other documents which have been produced to us.

Date: 28/03/13
6-7 Castle Gate
Castle Street
Hertford
Hertfordshire
SG14 1HD

Signature: 
Thomas David
Chartered Accountants &
Statutory Auditors