

ASHWORTH MANSIONS

ELGIN AVENUE, LONDON

SERVICE CHARGE STATEMENTS

FOR THE YEAR ENDED 28 SEPTEMBER 2016

ASHWORTH MANSIONS - ELGIN AVENUE, LONDON

CONTENTS

	Page
Company information	1
Responsibilities of the directors of Ashworth Mansions Limited	2
Independent audit report	3
Summary of income and expenditure	4
Statement of Service Charge expenditure	5 - 6
Statement of central heating and hot water service charge expenditure	6
Balance Sheet at 28 September 2016	7
Notes to the accounts	8 - 9

ASHWORTH MANSIONS - ELGIN AVENUE, LONDON

1

COMPANY INFORMATION

Directors of Ashworth Mansions Limited

**K Williams
M Clements
J Sutcliffe
G Barraclough
R Marais
N Parker**

Secretary

Kinleigh Limited

Company number

2477421 (England and Wales)

Registered office

**Nelson House
58 Wimbledon Hill Road
London
SW19 7PA**

Managing agent

**Kinleigh Limited
Nelson House
58 Wimbledon Hill Road
London
SW19 7PA**

Accountants and auditor

**Bell Dinwiddie & Co
6 AC Court
High Street
Thames Ditton
Surrey
KT7 0SR**

Responsibilities of the directors of Ashworth Mansions Limited

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the service charge account and of the income and expenditure account for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and apply them consistently ;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless this is thought to be inappropriate.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the service charge account. 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.

REPORT OF THE AUDITORS TO ASHWORTH MANSIONS LIMITED (LANDLORD)

We have audited the accompanying service charge accounts for Ashworth Mansions for the year ended 28 September 2016, which comprise the statement of service charge income and expenditure, statement of central heating and hot water service charge income and expenditure, the balance sheet as at 28 September 2016 and related notes. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts

Under the terms of this engagement dated 7 January 2012, we were 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.

Landlord /managing agent's responsibility for the accounts

The landlord/managing agent are responsible for the preparation of these accounts in accordance with the terms of the lease and for such internal control as the landlord/managing agent determines is necessary to enable the preparation of accounts that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of accounts in order to design audit procedures that are appropriate to the circumstances but not for the purpose of expressing an opinion on the effectiveness of the internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the accounts.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the service charge accounts of Ashworth Mansions for the year ended 28 September 2015 are prepared, in all material respects, in accordance with the accounting policies set out in Note 1 to the accounts.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1 to the accounts, which describes the basis of accounting. Our report has been prepared pursuant to the terms of our engagement letter and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of our engagement letter or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.



Bell Dinwiddie & Co
Chartered Accountants
and Registered Auditor

Date 10 MAY 2017

Patrick J Bell

Unit 6 AC Court, High Street, Thames Ditton, Surrey, KT7 0SR
Tel: 01372 470 313 E-Mail: patrick@omegapartnership.co.uk

**SUMMARY OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 28 SEPTEMBER 2016**

	Notes	Year to 28-Sept 2016	Year to 28-Sept 2016	Year to 28-Sept 2016	Year to 28-Sept 2015
SERVICE CHARGE ACCOUNT		Service charge £	Reserve £	Total £	Total £
Brought forward 29 September 2015		(6,826)	287,474	280,648	368,624
Demands in year		331,372	175,442	506,814	501,312
Refund of 2013 expenditure	2	0	36,806	36,806	0
Gross Interest received less taxation	3	781	887	1,668	3,358
Less expenditure in year	2	(319,718)	(1,860)	(321,578)	(592,646)
Surplus for the year		12,435	211,275	223,710	(87,976)
Transfer to reserves	7	0	0	0	0
Surplus carried forward at 28 September 2016		5,609	498,749	504,358	280,648
CENTRAL HEATING ACCOUNT					
		Service charge £	Reserve £	Total £	Total £
Brought forward 29 September 2015		0	20,689	20,689	23,420
Service charge demands in year		0	0	0	2,000
Less expenditure in year		(2,046)	(13,172)	(15,218)	(4,731)
(Deficit) for the year	5	(2,046)	(13,172)	(15,218)	(2,731)
Transfer				0	0
(Deficit)/surplus carried forward at 28 September 2016		(2,046)	7,517	5,471	20,689

The notes on page 8 and 9 form part of these accounts

STATEMENT OF SERVICE CHARGE EXPENDITURE
FOR THE YEAR ENDED 28 SEPTEMBER 2016

	Notes	Year to 28-Sept 2016 £	Year to 28-Sept 2015 £
<i>Porterage</i>			
Wages, National Insurance and pension		46,458	43,239
Council tax, repairs and other		383	2,664
		<hr/> 46,841	<hr/> 45,903
<i>Expenditure for common parts</i>			
Cleaning materials and supplies		2,625	8,326
Electricity		8,248	6,921
Entryphone hire and repairs		14,106	14,198
Television aerial hire and repairs		12,860	13,179
Fire extinguishers		0	326
Gardening		25,912	28,620
Pest control		12,747	5,601
Sundry		359	842
		<hr/> 76,857	<hr/> 78,013
<i>Repairs and building work including associated professional fees</i>			
Routine repairs		52,471	59,247
Reserve and major works expenditure	2	1,860	258,417
Reserve expenditure - central heating		13,172	0
		<hr/> 67,503	<hr/> 317,664
Insurance - Building (including public and employer's liability)		105,997	102,394
Insurance rebate for the previous year		(5,515)	0
<i>Fees</i>			
Health and safety inspection and compliance		0	0
Professional fees		2,400	8,010
Legal fees		3,384	3,812
Accountancy and taxation		350	350
Audit		7,650	7,650
Management		29,283	28,850
		<hr/> 43,067	<hr/> 48,672
Carried forward		<hr/> 334,750	<hr/> 592,646

The notes on page 8 and 9 form part of these accounts

**STATEMENT OF SERVICE CHARGE EXPENDITURE
FOR THE YEAR ENDED 28 SEPTEMBER 2016**

	Notes	Year to 28-Sept 2016 £	Year to 28-Sept 2015 £
Brought forward		334,750	592,646
Expenditure for the year		<u>334,750</u>	<u>592,646</u>
Made up as follows:			
Service charge		319,718	334,229
Reserve and major works expenditure - note 2		15,032	258,417
		<u>334,750</u>	<u>592,646</u>

**STATEMENT OF CENTRAL HEATING AND HOT WATER SERVICE CHARGE EXPENDITURE
FOR THE YEAR ENDED 28 SEPTEMBER 2016**

	Notes	Year to 28-Sept 2016 £	Year to 28-Sept 2015 £
Electricity		0	(111)
Repairs and maintenance		2,046	4,842
Total expenditure		<u>2,046</u>	<u>4,731</u>

The notes on page 8 and 9 form part of these accounts

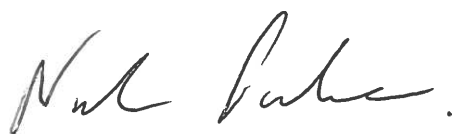
ASHWORTH MANSIONS - ELGIN AVENUE, LONDON

7

**BALANCE SHEET
AS AT 28 SEPTEMBER 2016**

	Notes	2016 Total £	2015 Total £
ASSETS			
Service charges outstanding		5,266	32,489
Debtors and prepayments		90,894	134,769
Due from Ashworth Mansions Limited		16,891	2,631
Bank client account in the name of Kinleigh Limited Service charge account	6	448,103	234,735
		<u>561,154</u>	<u>404,624</u>
LIABILITIES			
Service charges received in advance		15,110	23,568
Creditors and accrued expenses		36,215	79,719
Reserve fund including major works	7	498,749	287,474
Service charge reserve		5,609	(6,826)
Central heating reserve	5	5,471	20,689
		<u>561,154</u>	<u>404,624</u>

Approved by

Nick Parker
As Director for Ashworth Mansions Limited

Date - 1 MAY 2017.

The notes on page 8 and 9 form part of these accounts

**NOTES ON THE STATEMENT OF SERVICE CHARGE EXPENDITURE
FOR THE YEAR ENDED 28 SEPTEMBER 2016**
1 Accounting policies
Basis of preparation

The service charge accounts are prepared on the accruals basis.

Expenditure includes VAT where applicable

2 Reserve and major works expenditure

	Year to 28-Sept 2016 £	Year to 28-Sept 2015 £
Refund from UK Power Networks for work not required	(36,806)	0
External works	0	248,054
Structural works to vault and other	1,860	10,363
	<u>1,860</u>	<u>258,417</u>
Heating - removal of boilers	13,172	0
Total reserve expenditure	<u>15,032</u>	<u>258,417</u>

Tax provided on bank interest received

3 Taxation on interest received gross is paid at 20%.

Service charge account

4 The Directors of Ashworth Mansions Limited have agreed that the surplus for the current year should be carried forward.

Central heating and hot water

5 The directors have agreed that any surplus should be repaid to heating tenants when the final costs are received.

Bank accounts

6 All bank balances are held in trust in client accounts.

Funds are held in a client accounts at Lloyds Bank in the name of Kinleigh Ltd.

Reserves

7 The reserve fund has been established to provide funds to meet the costs of refurbishment and other significant expenditure to maintain the building in good condition.

Capital commitments

8 There were no capital commitments at 28 September 2016

Ashworth Mansions Limited

9 Ashworth Mansions Limited is the freeholder.

ASHWORTH MANSIONS - ELGIN AVENUE, LONDON**NOTES ON THE STATEMENT OF SERVICE CHARGE EXPENDITURE
FOR THE YEAR ENDED 28 SEPTEMBER 2016****10 *Transactions with directors of Ashworth Mansions Limited***

The directors of Ashworth Mansions Limited were charged and paid ground rents and service charges to the company and the service charge during the year.

11 *Management fees*

KFH (Kinleigh Limited trading as Kinleigh Folkard & Hayward) as an ARMA Q compliant agent charge an annual management fee and from time to time may charge extra fees for other services, such as: major works management, insurance brokerage and management as a FCA approved company, service charge litigation management for non payment of service charge and utility brokerage, where a proportionate charge and service has been provided. Where applicable, for surveying related activities, this service is provided by KFH Chartered Surveyors (trading as Kinleigh Folkard & Hayward Limited).