

**ASHWORTH MANSIONS  
ELGIN AVENUE, LONDON**

**SERVICE CHARGE STATEMENTS  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

## **ASHWORTH MANSIONS - ELGIN AVENUE, LONDON**

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**COMPANY INFORMATION**

Directors of Ashworth Mansions Limited

K Williams  
M Clements  
J Sutcliffe  
G Barraclough  
R Marais  
P Knudsen  
C Nuttall

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

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 INDEPENDENT ACCOUNTANTS ON THE SERVICE CHARGE STATEMENT OF ASHWORTH MANSIONS

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### REPORT OF THE ACCOUNTANTS TO ASHWORTH MANSIONS LIMITED

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 Ashworth Mansions. In accordance with our engagement letter dated 6 March 2017 we have performed the procedures agreed with you and enumerated below with respect to the service charge accounts set out on pages 4 to 9 in respect of Ashworth Mansions for the year ended 28 September 2018 in order to provide a report of factual findings about the service charge accounts that you have issued.

This report is made solely to Kinleigh Limited as managing agent, 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 Kinleigh Limited and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than to Kinleigh Limited for our work or for this report.

Under the terms of this engagement, 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.

#### 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 7 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 below.

#### 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 7 of the service charge accounts agrees or reconciles to the bank statements for the accounts in which the funds are held.



Bell Dinwiddie & Co  
Chartered Accountants

Date 25/4/2019

Patrick Bell

Unit 6 AC Court, High Street, Thames Ditton, Surrey, KT7 0SR  
01372 470313 belldinwiddie@gmail.com

**SUMMARY OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

	Notes	Year to 28-Sept 2018	Year to 28-Sept 2018	Year to 28-Sept 2018	Year to 28-Sept 2017
<b>SERVICE CHARGE ACCOUNT</b>		<b>Service charge £</b>	<b>Reserve £</b>	<b>Total £</b>	<b>Total £</b>
Brought forward 29 September 2017		42,766	624,233	666,999	504,358
Demands in year		336,703	175,442	512,145	507,309
Gross Interest received less taxation	3	539	1,531	2,070	1,435
Less expenditure in year		(329,008)	(130,262)	(459,270)	(346,103)
Surplus for the year		8,234	46,711	54,945	162,641
Transfer to reserves	6	(51,000)	51,000	0	0
Surplus carried forward at 28 September 2018		0	721,944	721,944	666,999
		=====	=====	=====	=====

**CENTRAL HEATING ACCOUNT**

		Service charge £	Reserve £	Total £	Total £
Brought forward 29 September 2017		0	7	7	5,471
Less expenditure in year	2	0	0	0	(5,464)
Surplus carried forward		0	7	7	7
Transfer		0	0	0	0
Surplus carried forward at 28 September 2018		0	7	7	7
		=====	=====	=====	=====

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

**STATEMENT OF SERVICE CHARGE EXPENDITURE  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

	Notes	Year to 28-Sept 2018 £	Year to 28-Sept 2017 £
<i>Porterage</i>			
Wages, National Insurance and pension		48,031	46,977
Porter supplies and broadband		2,431	1,531
		<hr/> 50,462	<hr/> 48,508
<i>Expenditure for common parts</i>			
Cleaning contract and supplies		5,811	1,559
Electricity		4,793	9,278
Entryphone hire and repairs		14,611	13,988
Television aerial hire and repairs		13,635	13,056
Fire extinguishers		1,570	522
Gardening and tree maintenance		40,204	29,219
Pest control		8,032	5,522
Sundry		573	450
		<hr/> 89,229	<hr/> 73,594
<i>Repairs and building work including associated professional fees</i>			
Routine repairs		31,558	31,342
Reserve and major works expenditure	2	130,262	44,187
Reserve expenditure - central heating	2	0	5,464
		<hr/> 161,820	<hr/> 80,993
Insurance - Building (including public and employer's liability)		108,988	105,953
<i>Fees</i>			
Health and safety inspection and compliance		0	834
Legal and professional fees		10,980	3,457
Taxation		350	350
Accounts preparation (2017 Audit)		6,970	8,150
Management		30,471	29,728
		<hr/> 48,771	<hr/> 42,519
Carried forward		459,270	351,567

**STATEMENT OF SERVICE CHARGE EXPENDITURE  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

	Year to 28-Sept 2018 £	Year to 28-Sept 2017 £
Brought forward	459,270	351,567
Expenditure for the year	<u>459,270</u>	<u>351,567</u>
Made up as follows:	<u>=====</u>	<u>=====</u>
Service charge	329,008	301,916
Reserve and major works expenditure - note 2	130,262	49,651
	<u>459,270</u>	<u>351,567</u>
	<u>=====</u>	<u>=====</u>

**STATEMENT OF CENTRAL HEATING AND HOT WATER SERVICE CHARGE EXPENDITURE  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

	Year to 28-Sept 2018 £	Year to 28-Sept 2017 £
Electricity	0	0
Repairs and maintenance	0	0
Total expenditure	<u>0</u>	<u>0</u>
	<u>=====</u>	<u>=====</u>

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



**ASHWORTH MANSIONS - ELGIN AVENUE, LONDON**

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**BALANCE SHEET  
AS AT 28 SEPTEMBER 2018**

	Notes	2018 Total	2017 Total
<b>ASSETS</b>		£	£
Service charges outstanding		37,523	13,330
Debtors and prepayments		90,042	94,978
Due from Ashworth Mansions Limited		38,694	18,524
Bank client account in the name of Kinleigh Limited Service charge account	5	635,890	584,474
		<u>802,149</u>	<u>711,306</u>
		=====	=====
<b>LIABILITIES</b>			
Service charges received in advance		30,203	15,826
Creditors and accrued expenses		49,995	28,474
Reserve fund including major works	6	721,944	624,233
Service charge reserve		0	42,766
Central heating reserve		7	7
		<u>802,149</u>	<u>711,306</u>
		=====	=====

Financial statements on pages 4 to 9 approved by:



As Director for Ashworth Mansions Limited

Date - 15/4/17

**NOTES ON THE STATEMENT OF SERVICE CHARGE EXPENDITURE  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

**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 2018 £	Year to 28-Sept 2017 £
Gas works	119,669	0
Structural works/professional fees relating to vault and other	12,676	44,187
Old credit balance written back	(2,083)	0
	<hr/> 130,262	<hr/> 44,187
Heating - removal of boilers and other related costs	<hr/> 0	<hr/> 5,464
Total reserve expenditure	<hr/> 130,262	<hr/> 49,651
	=====	=====

**3 Tax provided on bank interest received**

Taxation on interest received gross is paid at 20%.

**4 Service charge account**

The Directors of Ashworth Mansions Limited have agreed that the service charge surplus at 28 September 2018 should be transferred to the reserve fund.

**5 Bank accounts**

All bank balances are held in trust in client accounts.

Funds are held in accounts at Lloyds Bank in the name of Kinleigh Ltd designated as follows:  
(K Ltd Re Ashwth Mans Ltd S/C Client A/C and KinleighLtd Client Ac- Re Ashworthman R)

**6 Reserves**

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.

**7 Capital commitments**

At 28 September there were capital commitments of £47,788 in respect of basement Vaults.

**8 Ashworth Mansions Limited**

Ashworth Mansions Limited is the freeholder.

**NOTES ON THE STATEMENT OF SERVICE CHARGE EXPENDITURE  
FOR THE YEAR ENDED 28 SEPTEMBER 2018**

**9      *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.

**10     *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).

**11     *Insurance***

The property is insured by Allianz Insurance plc, through Lockton Companies LLP under policy reference 75/SP/12264777.